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MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES

TO THE

TWO HOUSES OF CONGRESS,

AT

THE COMMENCEMENT OF THE SECOND SESSION

OF THE

THIRTY-EIGHTH CONGRESS;

WITH THE

REPORTS OF THE HEADS OF DEPARTMENTS.

AND

SELECTIONS FROM ACCOMPANYING DOCUMENTS.

WASHINGTON:
GOVERNMENT PRINTING OFFICE.
1864.

Prepared in accordance with the following provisions of "An act to expedite and regulate the printing of public documents, and for other purposes," approved June 25, 1864:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That hereafter, instead of furnishing manuscript copies of the documents usually accompanying their annual reports to each house of Congress, the heads of the several departments of government shall transmit them, on or before the first day of November in each year, to the Superintendent of Public Printing, who shall cause to be printed the usual number, and, in addition thereto, one thousand copies for the use of the Senate and two thousand copies for the use of the House of Representatives. And that it shall be the duty of the Joint Committee on Printing to appoint some competent person, who shall edit and select such portions of the documents so placed in their hands as shall, in the judgment of the committee, be desirable for popular distribution, and to prepare an alphabetical index to the same.

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SEC. 3. *And be it further enacted*, That it shall be the duty of the heads of the several departments of government to furnish the Superintendent of Public Printing with copies of their respective reports on or before the third Monday in November in each year.

SEC. 4. *And be it further enacted*, That it shall be the duty of the Superintendent of Public Printing to print the President's message, the reports of the heads of departments, and the abridgment of accompanying documents prepared under the direction of the Joint Committee on Public Printing, suitably bound; and that, in addition to the number now required by law, and unless otherwise ordered by either house of Congress, it shall be his duty to print ten thousand copies of the same for the use of the Senate, and twenty-five thousand copies for the use of the House, and to deliver the same to the proper officer of each house, respectively, on or before the third Wednesday in December following the assembling of Congress, or as soon thereafter as practicable.

MESSAGE.

Fellow-citizens of the Senate and House of Representatives:

Again the blessings of health and abundant harvests claim our profoundest gratitude to Almighty God.

The condition of our foreign affairs is reasonably satisfactory.

Mexico continues to be a theatre of civil war. While our political relations with that country have undergone no change, we have, at the same time, strictly maintained neutrality between the belligerents.

At the request of the states of Costa Rica and Nicaragua, a competent engineer has been authorized to make a survey of the river San Juan and the port of San Juan. It is a source of much satisfaction that the difficulties which for a moment excited some political apprehensions, and caused a closing of the interoceanic transit route, have been amicably adjusted, and that there is a good prospect that the route will soon be reopened with an increase of capacity and adaptation. We could not exaggerate either the commercial or the political importance of that great improvement.

It would be doing injustice to an important South American state not to acknowledge the directness, frankness, and cordiality with which the United States of Colombia have entered into intimate relations with this government. A claims convention has been constituted to complete the unfinished work of the one which closed its session in 1861.

The new liberal constitution of Venezuela having gone into effect with the universal acquiescence of the people, the government under it has been recognized, and diplomatic intercourse with it has opened in a cordial and friendly spirit. The long-deferred Aves Island claim has been satisfactorily paid and discharged.

Mutual payments have been made of the claims awarded by the late joint commission for the settlement of claims between the United States and Peru. An earnest and cordial friendship continues to exist between the two countries, and such efforts as were in my power have been used to remove misunderstanding and avert a threatened war between Peru and Spain.

Our relations are of the most friendly nature with Chili, the Argentine Republic, Bolivia, Costa Rica, Paraguay, San Salvador, and Hayti.

During the past year no differences of any kind have arisen with any of those republics, and, on the other hand, their sympathies with the United States are constantly expressed with cordiality and earnestness.

The claim arising from the seizure of the cargo of the brig Macedonian in 1821 has been paid in full by the government of Chili.

Civil war continues in the Spanish part of San Domingo, apparently without prospect of an early close.

Official correspondence has been freely opened with Liberia, and it gives us a pleasing view of social and political progress in that republic. It may be expected to derive new vigor from American influence, improved by the rapid disappearance of slavery in the United States.

I solicit your authority to furnish to the republic a gunboat at moderate cost, to be reimbursed to the United States by instalments. Such a vessel is needed for the safety of that state against the native African races; and in Liberian hands it would be more effective in arresting the African slave trade than a squadron in our own hands. The possession of the least organized naval force would stimulate a generous ambition in the republic, and the confidence which we should manifest by furnishing it would win forbearance and favor towards the colony from all civilized nations.

The proposed overland telegraph between America and Europe, by the way of Behring's Straits and Asiatic Russia, which was sanctioned by Congress at the last session, has been undertaken, under very favorable circumstances, by an association of American citizens, with the cordial good-will and support as well of this government as of those of Great Britain and Russia. Assurances have been received from most of the South American states of their high appreciation of the enterprise, and their readiness to co-operate in constructing lines tributary to that world-encircling communication. I learn, with much satisfaction, that the noble design of a telegraphic communication between the eastern coast of America and Great Britain has been renewed with full expectation of its early accomplishment.

Thus it is hoped, that with the return of domestic peace the country will be able to resume with energy and advantage its former high career of commerce and civilization.

Our very popular and estimable representative in Egypt died in April last. An unpleasant altercation which arose between the temporary incumbent of the office and the government of the Pacha resulted in a suspension of intercourse. The evil was promptly corrected on the arrival of the successor in the consulate, and our relations with Egypt, as well as our relations with the Barbary powers, are entirely satisfactory.

The rebellion which has so long been flagrant in China has at last been suppressed, with the co-operating good offices of this government, and of the other western commercial states. The judicial consular establishment there has become very difficult and onerous, and it will need legislative revision to adapt it to the extension of our commerce, and to the more intimate intercourse which has been instituted with the government and people of that vast empire. China seems to be accepting with hearty good-will the conventional laws which regulate commercial and social intercourse among the western nations.

Owing to the peculiar situation of Japan, and the anomalous form of its

government, the action of that empire in performing treaty stipulations is inconstant and capricious. Nevertheless, good progress has been effected by the western powers, moving with enlightened concert. Our own pecuniary claims have been allowed, or put in course of settlement, and the inland sea has been reopened to commerce. There is reason also to believe that these proceedings have increased rather than diminished the friendship of Japan towards the United States.

The ports of Norfolk, Fernandina, and Pensacola have been opened by proclamation. It is hoped that foreign merchants will now consider whether it is not safer and more profitable to themselves, as well as just to the United States, to resort to these and other open ports, than it is to pursue, through many hazards, and at vast cost, a contraband trade with other ports which are closed, if not by actual military occupation, at least by a lawful and effective blockade.

For myself, I have no doubt of the power and duty of the Executive, under the law of nations, to exclude enemies of the human race from an asylum in the United States. If Congress should think that proceedings in such cases lack the authority of law, or ought to be further regulated by it, I recommend that provision be made for effectually preventing foreign slave traders from acquiring domicile and facilities for their criminal occupation in our country.

It is possible that, if it were a new and open question, the maritime powers, with the lights they now enjoy, would not concede the privileges of a naval belligerent to the insurgents of the United States, destitute, as they are, and always have been, equally of ships-of-war and of ports and harbors. Disloyal emissaries have been neither less assiduous nor more successful during the last year than they were before that time in their efforts, under favor of that privilege, to embroil our country in foreign wars. The desire and determination of the governments of the maritime states to defeat that design are believed to be as sincere as, and cannot be more earnest than, our own. Nevertheless, unforeseen political difficulties have arisen, especially in Brazilian and British ports, and on the northern boundary of the United States, which have required, and are likely to continue to require, the practice of constant vigilance, and a just and conciliatory spirit on the part of the United States as well as of the nations concerned and their governments.

Commissioners have been appointed, under the treaty with Great Britain, on the adjustment of the claims of the Hudson's Bay and Puget's Sound Agricultural Companies, in Oregon, and are now proceeding to the execution of the trust assigned to them.

In view of the insecurity of life and property in the region adjacent to the Canadian border, by reason of recent assaults and depredations committed by inimical and desperate persons, who are harbored there, it has been thought proper to give notice that after the expiration of six months, the period conditionally stipulated in the existing arrangement with Great Britain, the United States must hold themselves at liberty to increase their naval armament upon the lakes, if they shall find that proceeding necessary. The condition of the border will necessarily come into consideration in connection with the question of con-

tinuing or modifying the rights of transit from Canada through the United States, as well as the regulation of imposts, which were temporarily established by the reciprocity treaty of the 5th June, 1854.

I desire, however, to be understood, while making this statement, that the colonial authorities of Canada are not deemed to be intentionally unjust or unfriendly towards the United States; but, on the contrary, there is every reason to expect that, with the approval of the imperial government, they will take the necessary measures to prevent new incursions across the border.

The act passed at the last session for the encouragement of emigration has, so far as was possible, been put into operation. It seems to need amendment which will enable the officers of the government to prevent the practice of frauds against the immigrants while on their way, and on their arrival in the ports, so as to secure them here a free choice of avocations and places of settlement. A liberal disposition towards this great national policy is manifested by most of the European states, and ought to be reciprocated on our part by giving the immigrants effective national protection. I regard our emigrants as one of the principal replenishing streams which are appointed by Providence to repair the ravages of internal war, and its wastes of national strength and health. All that is necessary is to secure the flow of that stream in its present fullness, and to that end the government must, in every way, make it manifest that it neither needs nor designs to impose involuntary military service upon those who come from other lands to cast their lot in our country.

The financial affairs of the government have been successfully administered during the last year. The legislation of the last session of Congress has beneficially affected the revenues, although sufficient time has not yet elapsed to experience the full effect of several of the provisions of the acts of Congress imposing increased taxation.

The receipts during the year, from all sources, upon the basis of warrants signed by the Secretary of the Treasury, including loans and the balance in the treasury on the first day of July, 1863, were $1,394,796,007 62; and the aggregate disbursements, upon the same basis, were $1,298,056,101 89, leaving a balance in the treasury, as shown by warrants, of $96,739,905 73.

Deduct from these amounts the amount of the principal of the public debt redeemed, and the amount of issues in substitution therefor, and the actual cash operations of the treasury were: receipts, $884,076,646 57; disbursements, $865,234,087 86; which leaves a cash balance in the treasury of $18,842,558 71.

Of the receipts, there were derived from customs $102,316,152 99; from lands, $588,333 29; from direct taxes, $175,648 96; from internal revenue, $109,741,134 10; from miscellaneous sources, $47,511,448 10; and from loans applied to actual expenditures, including former balance, $623,443,929 13.

There were disbursed, for the civil service, $27,505,599 46; for pensions and Indians, $7,517,930 97; for the War Department, $690,791,842 97; for the Navy Department, $85,733,292 77; for interest of the public debt, $53,685,421 69—making an aggregate of $865,234,087 86, and leaving a balance in the treasury of $18,842,558 71, as before stated.

For the actual receipts and disbursements for the first quarter, and the estimated receipts and disbursements for the three remaining quarters of the current fiscal year, and the general operations of the treasury in detail, I refer you to the report of the Secretary of the Treasury. I concur with him in the opinion that the proportion of moneys required to meet the expenses consequent upon the war derived from taxation should be still further increased; and I earnestly invite your attention to this subject, to the end that there may be such additional legislation as shall be required to meet the just expectations of the Secretary.

The public debt on the first day of July last, as appears by the books of the treasury, amounted to $1,740,690,489 49. Probably, should the war continue for another year, that amount may be increased by not far from five hundred millions. Held as it is, for the most part, by our own people, it has become a substantial branch of national, though private, property. For obvious reasons, the more nearly this property can be distributed among all the people the better. To favor such general distribution, greater inducements to become owners might, perhaps, with good effect, and without injury, be presented to persons of limited means. With this view, I suggest whether it might not be both competent and expedient for Congress to provide that a limited amount of some future issue of public securities might be held by any bona fide purchaser exempt from taxation, and from seizure for debt, under such restrictions and limitations as might be necessary to guard against abuse of so important a privilege. This would enable every prudent person to set aside a small annuity against a possible day of want.

Privileges like these would render the possession of such securities, to the amount limited, most desirable to every person of small means who might be able to save enough for the purpose. The great advantage of citizens being creditors as well as debtors, with relation to the public debt, is obvious. Men readily perceive that they cannot be much oppressed by a debt which they owe to themselves.

The public debt on the first day of July last, although somewhat exceeding the estimate of the Secretary of the Treasury made to Congress at the commencement of the last session, falls short of the estimate of that officer made in the preceding December, as to its probable amount at the beginning of this year, by the sum of $3,995,097 31. This fact exhibits a satisfactory condition and conduct of the operations of the treasury.

The national banking system is proving to be acceptable to capitalists and to the people. On the twenty-fifth day of November five hundred and eighty-four national banks had been organized, a considerable number of which were conversions from State banks. Changes from State systems to the national system are rapidly taking place, and it is hoped that, very soon, there will be in the United States no banks of issue not authorized by Congress, and no bank-note circulation not secured by the government. That the government and the people will derive great benefit from this change in the banking systems of the country can hardly be questioned. The national system will create a reliable and permanent influence in support of the national

credit, and protect the people against losses in the use of paper money. Whether or not any further legislation is advisable for the suppression of State bank issues, it will be for Congress to determine. It seems quite clear that the treasury cannot be satisfactorily conducted unless the government can exercise a restraining power over the bank-note circulation of the country.

The report of the Secretary of War and the accompanying documents will detail the campaigns of the armies in the field since the date of the last annual message, and also the operations of the several administrative bureaus of the War Department during the last year. It will also specify the measures deemed essential for the national defence, and to keep up and supply the requisite military force.

The report of the Secretary of the Navy presents a comprehensive and satisfactory exhibit of the affairs of that department and of the naval service. It is a subject of congratulation and laudable pride to our countrymen that a navy of such vast proportions has been organized in so brief a period, and conducted with so much efficiency and success.

The general exhibit of the navy, including vessels under construction on the 1st of December, 1864, shows a total of 671 vessels, carrying 4,610 guns, and of 510,396 tons, being an actual increase during the year, over and above all losses by shipwreck or in battle, of 83 vessels, 167 guns, and 42,427 tons.

The total number of men at this time in the naval service, including officers, is about 51,000.

There have been captured by the navy during the year 324 vessels, and the whole number of naval captures since hostilities commenced is 1,379, of which 267 are steamers.

The gross proceeds arising from the sale of condemned prize property, thus far reported, amount to $14,396,250 51. A large amount of such proceeds is still under adjudication and yet to be reported.

The total expenditure of the Navy Department of every description, including the cost of the immense squadrons that have been called into existence from the 4th of March, 1861, to the 1st of November, 1864, are $238,647,262 35.

Your favorable consideration is invited to the various recommendations of the Secretary of the Navy, especially in regard to a navy yard and suitable establishment for the construction and repair of iron vessels, and the machinery and armature for our ships, to which reference was made in my last annual message.

Your attention is also invited to the views expressed in the report in relation to the legislation of Congress at its last session in respect to prize on our inland waters.

I cordially concur in the recommendation of the Secretary as to the propriety of creating the new rank of vice-admiral in our naval service.

Your attention is invited to the report of the Postmaster General for a detailed account of the operations and financial condition of the Post Office Department.

The postal revenues for the year ending June 30, 1864, amounted to

$12,438,253 78, and the expenditures to $12,644,786 20; the excess of expenditures over receipts being $206,652 42.

The views presented by the Postmaster General on the subject of special grants by the government in aid of the establishment of new lines of ocean mail steamships, and the policy he recommends for the development of increased commercial intercourse with adjacent and neighboring countries, should receive the careful consideration of Congress.

It is of noteworthy interest that the steady expansion of population, improvement, and governmental institutions over the new and unoccupied portions of our country have scarcely been checked, much less impeded or destroyed, by our great civil war, which at first glance would seem to have absorbed almost the entire energies of the nation.

The organization and admission of the State of Nevada has been completed in conformity with law, and thus our excellent system is firmly established in the mountains, which once seemed a barren and uninhabitable waste between the Atlantic States and those which have grown up on the coast of the Pacific ocean.

The Territories of the Union are generally in a condition of prosperity and rapid growth. Idaho and Montana, by reason of their great distance and the interruption of communication with them by Indian hostilities, have been only partially organized; but it is understood that these difficulties are about to disappear, which will permit their governments, like those of the others, to go into speedy and full operation.

As intimately connected with, and promotive of, this material growth of the nation, I ask the attention of Congress to the valuable information and important recommendations relating to the public lands, Indian affairs, the Pacific railroad, and mineral discoveries contained in the report of the Secretary of the Interior, which is herewith transmitted, and which report also embraces the subjects of patents, pensions, and other topics of public interest pertaining to his department.

The quantity of public land disposed of during the five quarters ending on the 30th of September last was 4,221,342 acres, of which 1,538,614 acres were entered under the homestead law. The remainder was located with military land warrants, agricultural scrip certified to States for railroads, and sold for cash. The cash received from sales and location fees was $1,019,446.

The income from sales during the fiscal year, ending June 30, 1864, was $678,007,21, against $136,077,95 received during the preceding year. The aggregate number of acres surveyed during the year has been equal to the quantity disposed of; and there is open to settlement about 133,000,000 acres of surveyed land.

The great enterprise of connecting the Atlantic with the Pacific States by railways and telegraph lines has been entered upon with a vigor that gives assurance of success, notwithstanding the embarrassments arising from the prevailing high prices of materials and labor. The route of the main line of the

road has been definitely located for one hundred miles westward from the initial point at Omaha City, Nebraska, and a preliminary location of the Pacific railroad of California has been made from Sacramento eastward to the great bend of the Truckee river, in Nevada.

Numerous discoveries of gold, silver, and cinnabar mines have been added to the many heretofore known, and the country occupied by the Sierra Nevada and Rocky mountains, and the subordinate ranges, now teems with enterprising labor, which is richly remunerative. It is believed that the product of the mines of precious metals in that region has, during the year, reached, if not exceeded, one hundred millions in value.

It was recommended in my last annual message that our Indian system be remodelled. Congress, at its last session, acting upon the recommendation, did provide for reorganizing the system in California, and it is believed that under the present organization the management of the Indians there will be attended with reasonable success. Much yet remains to be done to provide for the proper government of the Indians in other parts of the country to render it secure for the advancing settler, and to provide for the welfare of the Indian. The Secretary reiterates his recommendations, and to them the attention of Congress is invited.

The liberal provisions made by Congress for paying pensions to invalid soldiers and sailors of the republic, and to the widows, orphans, and dependent mothers of those who have fallen in battle, or died of disease contracted, or of wounds received in the service of their country, have been diligently administered. There have been added to the pension rolls, during the year ending the 30th day of June last, the names of 16,770 invalid soldiers, and of 271 disabled seaman, making the present number of army invalid pensioners 22,767, and of navy invalid pensioners 712.

Of widows, orphans, and mothers, 22,193 have been placed on the army pension rolls, and 248 on the navy rolls. The present number of army pensioners of this class is 25,433, and of navy pensioners 793. At the beginning of the year the number of revolutionary pensioners was 1,430; only twelve of them were soldiers, of whom seven have since died. The remainder are those who, under the law, receive pensions because of relationship to revolutionary soldiers. During the year ending the 30th of June, 1864, $4,504,616 92 have been paid to pensioners of all classes.

I cheerfully commend to your continued patronage the benevolent institutions of the District of Columbia which have hitherto been established or fostered by Congress, and respectfully refer, for information concerning them, and in relation to the Washington aqueduct, the Capitol and other matters of local interest, to the report of the Secretary.

The Agricultural Department, under the supervision of its present energetic and faithful head, is rapidly commending itself to the great and vital interest it was created to advance. It is peculiarly the people's department, in which they feel more directly concerned than in any other. I commend it to the continued attention and fostering care of Congress.

The war continues. Since the last annual message all the important lines

and positions then occupied by our forces have been maintained, and our arms have steadily advanced; thus liberating the regions left in rear, so that Missouri, Kentucky, Tennessee, and parts of other States have again produced reasonably fair crops.

The most remarkable feature in the military operations of the year is General Sherman's attempted march of three hundred miles directly through the insurgent region. It tends to show a great increase of our relative strength that our general-in-chief should feel able to confront and hold in check every active force of the enemy, and yet to detach a well-appointed large army to move on such an expedition. The result not yet being known, conjecture in regard to it is not here indulged.

Important movements have also occurred during the year to the effect of moulding society for durability in the Union. Although short of complete success, it is much in the right direction, that twelve thousand citizens in each of the States of Arkansas and Louisiana have organized loyal State governments, with free constitutions, and are earnestly struggling to maintain and administer them. The movements in the same direction, more extensive, though less definite, in Missouri, Kentucky, and Tennessee, should not be overlooked. But Maryland presents the example of complete success. Maryland is secure to Liberty and Union for all the future. The genius of rebellion will no more claim Maryland. Like another foul spirit, being driven out, it may seek to tear her, but it will woo her no more.

At the last session of Congress a proposed amendment of the Constitution, abolishing slavery throughout the United States, passed the Senate, but failed for lack of the requisite two-thirds vote in the House of Representatives. Although the present is the same Congress, and nearly the same members, and without questioning the wisdom or patriotism of those who stood in opposition, I venture to recommend the reconsideration and passage of the measure at the present session. Of course the abstract question is not changed; but an intervening election shows, almost certainly, that the next Congress will pass the measure if this does not. Hence there is only a question of *time* as to when the proposed amendment will go to the States for their action. And as it is to so go, at all events, may we not agree that the sooner the better? It is not claimed that the election has imposed a duty on members to change their views or their votes, any further than, as an additional element to be considered, their judgment may be affected by it. It is the voice of the people now, for the first time, heard upon the question. In a great national crisis, like ours, unanimity of action among those seeking a common end is very desirable—almost indispensable. And yet no approach to such unanimity is attainable, unless some deference shall be paid to the will of the majority, simply because it is the will of the majority. In this case the common end is the maintenance of the Union; and, among the means to secure that end, such will, through the election, is most clearly declared in favor of such constitutional amendment.

The most reliable indication of public purpose in this country is derived through our popular elections. Judging by the recent canvass and its result, the purpose of the people, within the loyal States, to maintain the integrity of the

Union, was never more firm, nor more nearly unanimous, than now. The extraordinary calmness and good order with which the millions of voters met and mingled at the polls give strong assurance of this. Not only all those who supported the Union ticket, so called, but a great majority of the opposing party also, may be fairly claimed to entertain, and to be actuated by, the same purpose. It is an unanswerable argument to this effect, that no candidate for any office whatever, high or low, has ventured to seek votes on the avowal that he was for giving up the Union. There have been much impugning of motives, and much heated controversy as to the proper means and best mode of advancing the Union cause; but on the distinct issue of Union or no Union the politicians have shown their instinctive knowledge that there is no diversity among the people. In affording the people the fair opportunity of showing, one to another and to the world, this firmness and unanimity of purpose, the election has been of vast value to the national cause.

The election has exhibited another fact not less valuable to be known—the fact that we do not approach exhaustion in the most important branch of national resources—that of living men. While it is melancholy to reflect that the war has filled so many graves, and carried mourning to so many hearts, it is some relief to know that, compared with the surviving, the fallen have been so few. While corps, and divisions, and brigades, and regiments have formed, and fought, and dwindled, and gone out of existence, a great majority of the men who composed them are still living. The same is true of the naval service. The election returns prove this. So many voters could not else be found. The States regularly holding elections, both now and four years ago, to wit, California, Connecticut, Delaware, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Vermont, West Virginia, and Wisconsin, cast 3,982,011 votes now, against 3,870,222 cast then, showing an aggregate now of 3,982,011. To this is to be added 33,762 cast now in the new States of Kansas and Nevada, which States did not vote in 1860, thus swelling the aggregate to 4,015,773 and the net increase during the three years and a half of war to 145,551. A table is appended showing particulars. To this again should be added the number of all soldiers in the field from Massachusetts, Rhode Island, New Jersey, Delaware, Indiana, Illinois, and California, who, by the laws of those States, could not vote away from their homes, and which number cannot be less than 90,000. Nor yet is this all. The number in organized Territories is triple now what it was four years ago, while thousands, white and black, join us as the national arms press back the insurgent lines. So much is shown, affirmatively and negatively, by the election. It is not material to inquire *how* the increase has been produced, or to show that it would have been *greater* but for the war, which is probably true. The important fact remains demonstrated, that we have *more* men *now* than we had when the war *began*; that we are not exhausted, nor in process of exhaustion; that we are *gaining* strength, and may, if need be, maintain the contest indefinitely. This as to men. Material resources are now more complete and abundant than ever

The national resources, then, are unexhausted, and, as we believe, inexhaustible. The public purpose to re-establish and maintain the national authority is unchanged, and, as we believe, unchangeable. The manner of continuing the effort remains to choose. On careful consideration of all the evidence accessible, it seems to me that no attempt at negotiation with the insurgent leader could result in any good. He would accept nothing short of severance of the Union—precisely what we will not and cannot give. His declarations to this effect are explicit and oft-repeated. He does not attempt to deceive us. He affords us no excuse to deceive ourselves. He cannot voluntarily reaccept the Union; we cannot voluntarily yield it. Between him and us the issue is distinct, simple, and inflexible. It is an issue which can only be tried by war, and decided by victory. If we yield, we are beaten; if the southern people fail him, he is beaten. Either way, it would be the victory and defeat following war. What is true, however of him who heads the insurgent cause is not necessarily true of those who follow. Although he cannot reaccept the Union, they can. Some of them, we know, already desire peace and reunion. The number of such may increase. They can, at any moment, have peace simply by laying down their arms and submitting to the national authority under the Constitution. After so much, the government could not, if it would, maintain war against them. The loyal people would not sustain or allow it. If questions should remain, we would adjust them by the peaceful means of legislation, conference, courts, and votes, operating only in constitutional and lawful channels. Some certain, and other possible, questions are, and would be, beyond the Executive power to adjust; as, for instance, the admission of members into Congress, and whatever might require the appropriation of money. The Executive power itself would be greatly diminished by the cessation of actual war. Pardons and remissions of forfeitures, however, would still be within Executive control. In what spirit and temper this control would be exercised can be fairly judged of by the past.

A year ago general pardon and amnesty, upon specified terms, were offered to all, except certain designated classes; and it was, at the same time, made known that the excepted classes were still within contemplation of special clemency. During the year many availed themselves of the general provision, and many more would, only that the signs of bad faith in some, led to such precautionary measures as rendered the practical process less easy and certain. During the same time also special pardons have been granted to individuals of the excepted classes, and no voluntary application has been denied. Thus, practically, the door has been, for a full year, open to all, except such as were not in condition to make free choice—that is, such as were in custody or under constraint. It is still so open to all. But the time may come—probably will come—when public duty shall demand that it be closed; and that, in lieu, more rigorous measures than heretofore shall be adopted.

In presenting the abandonment of armed resistance to the national authority on the part of the insurgents, as the only indispensable condition to ending the war on the part of the government, I retract nothing heretofore said as to

slavery. I repeat the declaration made a year ago, that "while I remain in my present position I shall not attempt to retract or modify the emancipation proclamation, nor shall I return to slavery any person who is free by the terms of that proclamation, or by any of the acts of Congress." If the people should, by whatever mode or means, make it an Executive duty to re-enslave such persons, another, and not I, must be their instrument to perform it.

In stating a single condition of peace, I mean simply to say that the war will cease on the part of the government whenever it shall have ceased on the part of those who began it.

ABRAHAM LINCOLN.

DECEMBER 6, 1864.

Table showing the aggregate votes in the States named, at the Presidential election, respectively, in 1860 *and* 1864.

	1860.	1864.
California	118, 840	*110, 000
Connecticut	77, 246	86, 616
Delaware	16, 039	16, 924
Illinois	339, 693	348, 235
Indiana	272, 143	280, 645
Iowa	128, 331	143, 331
Kentucky	146, 216	*91, 300
Maine	97, 918	115, 141
Maryland	92, 502	72, 703
Massachusetts	169, 533	175, 487
Michigan	154, 747	162, 413
Minnesota	34, 799	42, 534
Missouri	165, 538	*90, 000
New Hampshire	65, 953	69, 111
New Jersey	121, 125	128, 680
New York	675, 156	730, 664
Ohio	442, 441	470, 745
Oregon	14, 410	†14, 410
Pennsylvania	476, 442	572, 697
Rhode Island	19, 931	22, 187
Vermont	42, 844	55, 811
West Virginia	46, 195	33, 874
Wisconsin	152, 180	148, 513
	3, 870, 222	3, 982, 011
Kansas		17, 234
Nevada		16, 528
		33, 762
		3, 982, 011
Total		4, 015, 773
		3, 870, 222
Net increase		145, 551

*Nearly †Estimated.

REPORT

OF THE

COMMISSIONER OF AGRICULTURE.

WASHINGTON, D. C., *December* 1, 1864.

SIR: I have the honor to submit to you my third annual report, and it is with a feeling of just pride in the success of the department, aided by the co-operation of the intelligent farmers of the country, that I can make so favorable a showing of its operations and of the agriculture of the country.

Notwithstanding the devastation caused by the terrible war in which we are engaged, the diminution of the laboring force of the country by repeated calls for able-bodied men, the great and continued demand for money and means to suppress the rebellion, and the constant claims and interruptions to which portions of our country have been subjected, our agriculture during the past year has been prosperous and progressing.

A favorable seed time and a glorious harvest have been vouchsafed to us, and the farmers of the country, with somewhat less than an average in amount, have stored in value, owing to its superior quality, a larger paying crop than was ever before gathered, from which, it is probable, there will be a surplus for exportation equal to that of former years.

A brief review of the condition of the crops during the past year will not be improper at this time. The winter of 1863–'64, was very severe, and in many parts of the country destructive to crops, animals and fruit trees to such an extent as to create a fear in the early spring that the reduction of the crop of fall-sown wheat would be very serious. A favorable spring, however, and an unusually large breadth of spring-sown grain, went far to make up the deficiency.

The wheat crop of 1864 is less than that of last year by 18,708,213 bushels. Its quality, however, is generally superior, and on this account it will meet with a better demand in the English market, for the wheats of Northern Europe have not been harvested in good condition, on account of wet weather. Although the crop is less than that of last year, yet the greater abundance of corn and buckwheat will lead to a lessened home consumption, so that the export demand can be met.

Rye.—This crop is less by 909,807 bushels than last year's—a difference too small to affect the market value.

Barley.—This crop is also less by 750,827 bushels, but it is too small a reduction for further notice.

Oats.—There is an increase in the oat crop over last year's of 2,889,489 bushels.

Corn.—The long and severe drought of the past summer occasioned great anxiety for the corn crop, whilst the rains in August came too late in some localities to materially benefit it, and in others some of the fields were too far injured to recover, yet, generally, the showers were in time to benefit the crop very much. Compared with last year, the crop of 1864 is 78,613,444 bushels greater, and 55,644,902 bushels less than the crop of 1862. But it is certain that the home demand upon it will be far less than on that of 1862. There will be nearly two millions of hogs less, and a greatly decreased number of cattle to fatten; less farm stock to keep over winter, and a still larger saving effected by a diminished distillation. These lessened home demands will render the ability to meet an export demand in 1865 fully equal to that of 1863.

Tobacco.—There is a large decrease in this crop. In 1863 it was 267,267,920 lbs, and this year but 197,468,229 lbs.—a difference of 69,799,691 lbs. The chief reduction in the crop of 1864 is to be found in the States of Kentucky, Missouri, and Maryland. The condition of their labor, and the unfavorable season for planting out, are the causes of this reduced production.

The scarcity of labor in other States, and the fear that the internal duties would cause a decreased home consumption of the commodity, induced a lessened cultivation.

Buckwheat.—This crop has increased 2,994,085 bushels over that of 1863, and is equal to that of 1862.

Potatoes.—At one time it was feared this crop would be almost a failure, but the rains of August and September were favorable to it, especially in the northeastern States. The northwestern had rains in July, but the latter part of the season was unfavorable. The crop is 3,903,782 bushels less than that of 1863.

Hay.—Although this crop is 1,620,096 tons less than that of last year, yet its superior quality will fully compensate for its decrease in weight. It was harvested in the best condition.

Flax-seed.—Most of the States show a large increase, ranging from one-tenth to four-tenths. The increase in lint is not so great, but is much in advance of the crop of 1863.

Sorghum.—In most of the western States where this cane is grown to a large extent, and sirup has been made in considerable quantities, there is no great increase above 1862, except in Illinois, where it is two and a quarter tenths.

Cotton.—The returns from counties in which this product is grown are not many, but, compared with 1862, they show a considerable increase, ranging from one to five-tenths. In Illinois it is four-tenths or forty per cent.

Root crops.—There is a large decrease in these in nearly all of the States, which I regret to see. Turnips, rutabagas or Swedes, mangold-wurzels, and other roots are most valuable articles of food, and if cultivated more generally would, to a great extent, take the place of corn in winter feeding of stock.

Fruit.—In the eastern and middle States the yield of apples, peaches and

grapes has been very good, but in the western States the destruction of the trees by the intense cold has caused a diminution of fruit that will be felt for years.

Horses.—The great demand for horses and mules to supply the wants of the army has enhanced their price, and drawn away a great number from the farming operations; improved implements and machinery, however, and the wide extension of railways and of other means of easy communication go far to offset this.

The very important subject of breeding horses for cavalry uses is attracting attention, and is worthy of encouragement.

Cattle.—The large amount of beef consumed by the army, the scarcity of corn and fodder the last winter, and the drought of the past summer, will reduce to a considerable extent the number of cattle to be fattened this year.

As the supply of cattle is evidently becoming inadequate to meet the wants of the army, and the people of the country, increased as they are by the vast influx of immigrants, who are for the first year, at least, of their residence, non-producers, it seems to me to be the duty of the farmers to raise more cattle, and not to slaughter their calves, as is the too common practice.

The products of the dairy have been in great demand, and but for the drought would have very largely exceeded any previous year. The introduction of the best English breeds of cattle, and our own improved breeding, have greatly increased the value of our stock.

The pleuro-pneumonia has again shown itself in New England, but strenuous efforts are being made to prevent its spread, which it is hoped will prove successful.

Sheep.—The increased demand for wool has induced a corresponding increase in sheep raising, one of the most important and profitable branches of farming, and it is to be hoped that before many years have passed we shall not only cease to be importers of wool, but exporters to a large extent.

The last winter was a severe one for sheep in the west, on account of the intense cold and want of shelter, and in the east from the very poor hay, which farmers were compelled to feed, and from diseases of various kinds.

There is some danger always to be apprehended by the introduction of contagious diseases from abroad. The small-pox or sheep-pox has prevailed to a great extent among the English flocks, and is a most destructive and fatal plague. As communication between this country and Great Britain is now so speedy, too much care cannot be exercised by those importing, and by the custom-house officers, to guard against its introduction here.

Swine.—The number of fattening hogs is much below an average, probably one-third; this is mainly due to the short crop of corn last fall and winter.

The hog cholera though, still prevailing in some places, has not been so destructive as usual in the west.

The plan by which our knowledge of agricultural products is obtained, and the basis on which these facts and the figures below are given, are arranged in the statistical division. On account of their importance, I venture to give some-

what in detail the arrangement. No part of the duties of this department is more important or more laborious than that of collecting, compiling, and publishing the statistics of the agriculture of the country. This, after two years of experience, has been systematized with thorough and comprehensive order, under four heads:

1st. The collection of statistics pertaining to the annual crops.

2d. The preparation of tables of the exports of domestic produce and their value. The receipts, shipments, and prices of this produce at the cities chiefly trading in it.

3d. The collection of information on general and important topics bearing on agricultural production.

4th. The preparation of the monthly and bi-monthly reports issued by the department.

Besides these special duties, there is a general one in the gradual accumulation of statistics on all topics connected with agriculture, to be used as the special objects may require:

1st. The collection of statistics pertaining to the annual crops.

Under this head two things are to be noted—the means used to procure them and the results obtained through their agency.

The means used are *circulars*, addressed to correspondents in nearly every ounty in each State. They contain inquiries relative to the crops, as the season and its character require. The answers are given in tenths, increase or decrease, compared with a previous year. These correspondents have from three to five assistants in each county, to whom circulars are sent, who make their returns to the chief correspondent. This plan has been suggested by experience, which has most clearly shown that reliable information cannot be obtained by casual inquiries, or through casual correspondents.

The several crops must be made known in all stages of growth from their sowing or planting until harvested, and the correspondents must be persons who have the means of learning their condition at all times, and whose judgments are strengthened by this constant exercise, and whose zeal is increased by the interest which they take in their voluntary aid, from the knowledge of the utility of the information they impart. Through the knowledge thus obtained this division becomes aware of the amount of each crop sown or planted, its growing condition during the season, the extent and nature of the injuries received by it, and the amount harvested compared with the previous or other years. These reports are carefully compared, and from them the amount in bushels, pounds, or tons estimated.

The results, both as to their correctness and utility, have been fully tested. The plan adopted could not have been more severely tried than during the time it has been used, for to the difficulties we have had to encounter, from the disturbances occasioned by war, there has been added, last year, the greatest destruction of the fall crops, by premature frosts, ever known to the country, and this year by extensive injuries from severe drought.

The information obtained embraces the amount of each of the principal crops, the yield per acre of each, the number of acres in cultivation in each crop, the average price of each in each State, the value of each crop according to this price, &c. For the purpose of exhibiting more fully the character of the information given in these estimates, the following general summary of amount, prices and value of the principal crops is here given, excluding California, Oregon, and Kentucky, from which sufficient returns had not been received in 1862 and 1863, but including Kentucky in 1864:

General summary of the crops of 1862.

Names of products.	Amount.	Price.	Value.
Indian corn ..... bushels..	533,387,230	$0 34$\frac{8}{10}$	$185,618,756
Wheat ..... do....	177,957,172	93$\frac{7}{10}$	166,745,870
Rye ..... do....	20,577,971	70	14,404,579
Oats ..... do....	169,681,113	36$\frac{6}{10}$	62,163,287
Barley ..... do....	12,385,647	86	10,651,656
Buckwheat ..... do....	18,763,756	56$\frac{1}{2}$	10,601,522
Potatoes ..... do....	112,577,482	39$\frac{7}{10}$	44,693,260
Hay ..... tons...	21,110,370	9 20	194,215,404
Tobacco ..... pounds..	136,751,746	11$\frac{9}{10}$	16,273,457
			705,307,791

General summary of the crops of 1863.

Names of products.	Amount.	Price.	Value.
Indian corn ..... bushels..	397,839,212	069\frac{8}{10}$	$278,089,609
Wheat ..... do....	173,677,928	1 14	197,992,837
Rye ..... do....	19,989,335	1 03	20,589,015
Oats ..... do....	170,129,864	62$\frac{3}{10}$	105,990,905
Barley ..... do....	12,158,895	1 11	13,496,373
Buckwheat ..... do....	15,786,122	80$\frac{1}{2}$	12,660,469
Potatoes ..... do....	98,965,198	55$\frac{6}{10}$	55,024,650
Hay ..... tons...	18,346,730	13 50	247,630,855
Tobacco ..... pounds..	163,353,682	14$\frac{9}{10}$	24,239,609
			955,764,322

General summary of the crops of 1864.

Names of products.	Amount.
Indian corn ..... bushels..	530,581,403
Wheat ..... do....	160,695,823
Rye ..... do....	19,872,975
Oats ..... do....	176,690,064
Barley ..... do....	19,716,328
Buckwheat ..... do....	18,700,540
Potatoes ..... do....	96,256,888
Hay ..... tons...	18,116,751
Tobacco ..... pounds..	197,468,229

The last table cannot be completed until returns are received of the prices in November in the several counties of each State. The prices given for 1862 and 1863 were obtained from them; their average for each State made and multiplied into the amount of the crop for each State. This mode of estimating the value of the leading crops is the only one yet adopted that approximates to the actual value.

These tables are both interesting and highly instructive, for they show the increased value given to the crops from a scarcity or failure in any one, from the war demand and from the depreciation of the currency. And surely information of the crops and their values, thus collected and arranged in tables by this division of the Department of Agriculture, cannot but aid the interests of the community in all its departments of business.

The prices for November, 1864, have not yet been ascertained, and hence the table for that year is incomplete. But it may be taken for granted that when ascertained they will not give as great a proportional value as the prices of November, 1863, adding to them the increased rate in prices occasioned by the advance in gold, and the increased amount of the crops of 1864; for the reason that the prices in Great Britain, which give value so largely to our agricultural products, were much less in 1864 than in 1863, and to the extent of their reduction will be the proportional value of the crop of 1864. The value of the crops named for 1864 will range between $1,500,000,000 and $1,750,000,000. But it is evident that the value will be very favorable to the farmer, who, by availing himself of his ability to live on his own resources, can avoid, to a great extent, the increased living expenses that other classes are subject to, from the greatly increased prices of clothing, rents, fuel, and food.

Again. By the same plan, and through the aid of the same correspondents, the increase or decrease of the farm stock is ascertained. In January, 1864, the first estimates were made, comparing the number at that time with those returned by the census of 1860.

This comparison is as follows:

	Horses.	Mules.	Cattle & Oxen.
1859	4,199,141	301,609	7,941,148
1864	4,049,142	280,847	7,965,439

	Cows.	Sheep	Hogs.
1859	5,726,964	15,104,272	17,060,035
1864	6,066,748	24,346,391	16,140,712

During the summer and fall the increase or decrease in the amount of butter and cheese is ascertained in the same manner, and in the fall the number of fattening hogs and cattle.

These estimates are also published in the reports of this department, and by the information thus made public the commerce in farm stock and their products is regulated, and the farmer's attention is timely directed to a decrease or overproduction of any one of them. Heretofore an evil in our agriculture, was overproduction, occasioned by a casual demand from abroad; but the tables of this

department, like the regulator of the steam-engine, will do much to prevent either a deficiency or its opposite.

2. The reference just made to the influence which foreign markets and exports have on the value of our agricultural products shows the importance of the preparation and publication of the tables of exports, stated as the *second* special duty of this division. Their purpose is to place before the farmer all the elements of demand for the products of his labor, that he may give it such direction as these elements point to.

3. The *third* special duty of this division is the collection of information on such subjects as bear on agricultural production, and are of a general nature the facts of which can be best reached through the extensive system of correspondence employed by the department.

As an illustration of the nature of such subjects, I refer to the article published in the report of November, 1863, on the system of our agriculture, as to the use of manures and the depth of ploughing, considered as a fertilizer. It embraced the use of clover as a manure, and of lime, plaster, and barn-yard manure, as used in the various portions of the loyal States. Another article is that published in the September and October report of 1864, on the relative advantages of drilling wheat, and sowing it broadcast, as shown by the correspondence of this division, from the effects of the cold of the past winter.

The purpose of such articles is to keep before the farmer the necessary means of sustaining the soil in the production of our immense crops, and to correct errors in the modes of husbandry, arising from long-followed practices, when the conditions of production have gradually but materially changed during their existence.

4. To carry into practical effect the collection of the information upon which these statistical tables are constructed, and the articles just referred to, it became necessary to lay them at brief intervals before the public, that correspondents, seeing the good they were accomplishing, might be encouraged to continue their aid, and that farmers and others should receive this information at such times as would most attract their attention and best benefit them. These objects demanded a publication such as the monthly and bi-monthly reports of this department. Their rapid and continued favor with all classes gives the best assurance of their utility.

Whilst their preparation devolves a most laborious and responsible duty on this division, yet such duty is not to be avoided when the practical objects of the department so imperatively demand its faithful performance. It is a laborious task because of the great variety of statistical tables required, and the numerous calculations embraced in them; and it is a responsible labor, not only because of the knowledge in agriculture and statistics which it requires, but on account of the effect which these tables exert over the commercial business of the country.

5. In the accumulation of general statistics this division has made all necessary progress, and its arrangements will occupy all the time that can be given it from the special and more pressing duties.

The issuing the circulars and distribution of the reports constitutes no small item of labor. During the year over 30,000 of the former have been sent to correspondents, and of the reports nearly 100,000 have been sent through agricultural societies and members of Congress to every county in the coun ry.

The meteorological portion of my reports is prepared partly at the Smithsonian Institution, and partly at this department, from the observers engaged for the Institution, who make monthly returns and deserve the thanks of the country for the unpaid discharge of this laborious and useful duty.

I would renew my suggestion of last year, that if under the direction of the government the state of the weather at different points of the country could be daily communicated by telegraph so as to be immediately spread over the whole country, very important and beneficial results might follow.

The distributions from the experimental and propagating garden during the year have consisted principally of grapes, strawberries and other small fruits. About 30,000 articles have been disseminated through the usual channels.

Considerable misapprehension exists relative to the distribution of the products of the garden.

Letters are constantly received enclosing extensive orders for fruiting vines and trees, as well as for all kinds of nursery stock. It is clearly beyond the intention of the government to supply such demands; it is undoubtedly the duty of the executive of this department to ascertain and decide upon the best means for these distributions; I have therefore aimed to avoid sending articles into localities where they are already well known, and have endeavored to make the distributions the means of testing varieties of plants in given localities where they have not previously been introduced, and thus assist in popularizing the best varieties in all sections of the country.

The celebrated Yeddo grape from Japan, received through the kindness of the honorable Mr. Pruyn, has been largely propagated, and distributed into various localities in order to test its adaptability to soils and climates. It is yet too early to decide as to its value, but the many inquiries received concerning it prove that it is attracting attention, and the coming season will go far to prove whether or not it is worthy of extended culture. Second only to the introduction of new varieties of plants is that of testing the respective merits of those already in cultivation. For this purpose every effort is made to procure specimens of all known kinds, so that they may be grown under similar conditions, in order that their peculiarities may be accurately noted, and those most worthy of culture ascertained.

Among those that have so far received most attention may be mentioned the grape, strawberry and currant—the impulse for the improvement of the native grape has already resulted in the production of many valuable varieties, as well as many that are only of local if not questionable merit. It is therefore my aim to procure these, test them, and report their true value, so that beginners in grape culture may not be led to purchase inferior kinds, and lose valuable years

of watchful care and attention, only to realize that their means and labor have been expended upon an inferior product.

This feature is one that I feel desirous of extending, so as to embrace all varieties of vegetables, grains and tubers, as well as fruits; but to do so in a satisfactory and proper manner will require greater facilities than are now provided; a tract of land of at least fifty acres in extent, embracing varieties of soil and surface, would not more than suffice for the proper development of these objects.

I had designed, during the past summer, to cultivate the land on government reservation No. 2, between 12th and 14th streets, the use of which has been granted me by the Commissioner of Public Buildings, but I have been obliged to suspend my operations there, as the government still uses it for a cattle yard.

The demand for seeds has been greater than during any previous year, and returns from those to whom they have been sent are most gratifying, not only as to the quality of the seeds, but in the introduction of new and valuable varieties. I am convinced that the imported vegetable and flower seeds distributed have been of immense benefit to the people.

The distribution of wheat in 1863 gave such general satisfaction, and caused so much inquiry, that I determined this year to extend its dissemination still further, and accordingly imported several hundred bushels, which have been scattered through every loyal State. Very superior varieties of oats from Sweden, and other grains, have been distributed. Of wheat and other grains there have been sent out over 38,000 bags, holding nearly a quart each, making over 1,000 bushels.

The whole number of packages of seeds of every kind sent out has been over 1,000,000; of these about one-half were distributed through members of Congress; nearly 200,000 to agricultural societies; 35,000 to statistical correspondents, and nearly 300,000 to the people of the country applying directly for them.

The introduction of sorghum and imphee, and the dissemination of the seed of these plants, by the Agricultural Department, has been worth millions of dollars to the country, more especially to the middle and western States, where they are destined to make a valuable and paying crop.

The manufacture of large quantities of beautiful sugar has proved that what was at first regarded as a doubtful experiment has become a fixed and most important fact, and although sugar may not be everywhere made, there is scarcely a State where large quantities of most excellent sirup are not manufactured. The seed of these plants has, however, so much deteriorated by hybridizing with our broom corn that I have deemed it of great importance to procure fresh seeds from their native localities, and have accordingly sent an educated, intelligent, and reliable person to China, with directions to purchase seed, and to ascertain minutely the method of making the sugar as practiced by the natives of that country. I hope to obtain a supply of the seed in season for planting next spring.

The manufacture of sugar from the "sugar beet" is attracting considerable

attention in some parts of the west, and it is hoped will prove successful and profitable.

The almost total extinction of the manufacture of cane sugar in the southern portion of our country has given a new and increased interest to the production of this necessary of life.

While the sorghum has been successfully introduced within a few years throughout the west, the beet, as a sugar-producing plant, has not till recently been considered economical.

The present exorbitant price of sugar has, however, induced some enterprising cultivators in Illinois to attempt the culture of the sugar beet with great promise of success.

Perhaps there is no soil or climate more suitable for this than that of the rich and fertile State of Illinois, whose deep alluvial soil is particularly well adapted to these roots, and there is now no reason why great quantities of the very best sugar should not be made there.

The manufacture of beet sugar, first introduced to France by the Emperor Napoleon I., not sixty years ago, has become an immense business there and on other parts of the continent.

The yield of beet sugar in 1861 was 430,000 tons—being one-sixth of all produced in the world, and one-fourth as much as the cane sugar.

The sugar product of the world was as follows:

Cane sugar	tons..	1,950,000
Beet sugar	tons..	480,000
Palm sugar	tons..	100,000
Maple sugar	tons..	20,000
		2,550,000

Considering that we pay nearly $100,000,000 annually for foreign sugar, and that this may be made from the beet at less than half the present price of sugar from the cane, it would seem to be the part of wisdom in the government to encourage it in some direct form.

The commissioners appointed by me to investigate "the practicability of cultivating and preparing flax and hemp as substitutes for cotton," under the act of Congress passed March, 1863, have been engaged during the year in pursuing their examination of mills, machines, modes of operating and cultivating. They will report in January next.

The commission has been changed by the substitution of Hon. Charles Jackson, of Providence, R. I., for Wm. M. Bailey, resigned.

During the past year I have established an extensive correspondence with our consuls in foreign ports, the results of which have been laid before the people in my bi-monthly report; to many of these, whom I cannot here name, and to the Department of State, I am under great obligations for valuable information, seeds, plants, and other favors transmitted from them.

Deeming the assistance and co-operation of the agricultural societies and

farmers' clubs throughout the country of the greatest importance, I have endeavored to continue my correspondence and connexion with them, not always, however, with the success I could wish.

From the first organization of the Department the formation of an agricultural cabinet has been deemed by me an object of great importance, but until this year a want of room has entirely prevented any attempt to establish it.

By the act of Congress passed last July, however, authorizing me to furnish rooms for my accommodation outside of the Patent Office building, I have been enabled to appropriate for this purpose two small rooms in the basement, near my office, but quite insufficient for the object. These have been appropriately fitted with cases and placed under the charge of the entomologist of the Department, who, in addition to the objects of interest daily received, has placed there his own collection of insects, birds, and models of fruits, over two thousand in number.

A great many interesting specimens have been received, and the cabinet is fast outgrowing its limits. Such a collection as is wanted should contain specimens of every department of natural history, and of all fruits, grains, and other productions of the soil. It should also have a complete herbarium, containing all the plants of the country, for the purpose of study, and to identify many which are sent for examination, especially such as may be used for textile fibres, or for the manufacture of oil, sugar, starch, dying matter, &c., also specimens of the different soils and rocks.

If suitable rooms were provided, such a collection could be made up, with but little expense, by gratuitous contributions from every State of the Union; and it would be of immense interest and benefit to all, not only as a means of reference in doubtful cases, but also as a guide to the agriculturist in the choice of seeds, plants, or fruits suitable to any locality or soil in any State.

During the year all letters and queries relating to the subject of insects injurious to various crops have received the attention of the entomologist, who has also prepared a report on the subject of insects injurious to vegetation, and the means of their prevention and destruction, a portion of which has been published in the report of 1863, to be finished in my next.

The destruction of various crops and fruit by insects has been very great this year, and has become a very serious trouble to the farmers, calling for more thorough examination and diffusion of information.

Sheep husbandry, always one of the most important of agricultural pursuits, has recently assumed an increased consequence from the great demand for woollen goods.

With the view of obtaining more definite information on the subject, and with the hope of inducing our farmers to engage more largely in wool-growing, and by producing the qualities most desired by the manufacturers, to check importation, I have addressed circulars to all the woollen manufacturers in the country, asking the quality and quantity consumed by each. and the kind that it is deemed most desirable to increase.

The result of this investigation, when obtained, will be at once published for the benefit of the farmers, and it is believed it will be of so convincing a nature as to cause a very large increase of their flocks.

Farmers have experienced much difficulty the past season in procuring laborers, and this has been but partially met by immigration, which, however, has been larger than in preceding years.

The number of emigrants arriving at New York in the year ending September 30, 1864, was	177,823
Arriving at Boston	5,204
Arriving at Philadelphia	4,483
Arriving at Baltimore	2,203
	189,713
Eleven months, ending November 30, 1863, gave	146,519
And the year 1862	76,306

It is certainly gratifying to notice this vast increase under what were supposed to be disadvantageous circumstances.

My annual report for 1863 is but just issued; the great delay is owing, as I am informed, to a want of paper at the government printing office, and an absolute impossibility of supplying it.

I believe the volume will be found equal in interest and value to the preceding one.

The balance of the appropriation for the service of this Department for the fiscal year ending June 30, 1864, remaining unexpended on the 1st of December, 1863, was $51,758 81. A special appropriation was granted March 14, 1864, to supply various deficiencies, amounting to $4,770.

The following amounts were appropriated for the fiscal year ending June 30, 1865, viz: per act of June 25, 1864, $143,100; per act of July 2, 1864, $3,704 05, to enable the Commissioner of Agriculture to pay a debt incurred by the Commissioner of Patents in preparing the agricultural report for 1861, &c., and $300 to restore the salary of the chief messenger; and per act of July 4, 1864, $3,500, to pay the rent of additional rooms for the use of the department, making a total of $150,604 05.

There has been expended from December 1, 1863, to November 30, 1864, inclusive, $111,233 35, leaving an unexpended balance of $95,899 51.

Of the special appropriation of $20,000 "to test the practicability of preparing flax and hemp as a substitute for cotton," there has been expended $4,939 60, leaving a balance of $15,060 40.

In conclusion, I beg most respectfully to suggest that there never was a time in the history of this country when its agriculture was so important to its development, and so essential to its continued progress; or when the government should so freely and generously extend to it every possible aid and encouragement. In the full measure of its limited means, this department is doing every-

thing which earnest endeavor and assiduous labor can accomplish; and it has, I trust, so far commended itself to the confidence of the people that their honored representatives will continue to afford the liberal aid and encouragement it has heretofore received at their hands.

The continuance of the war has imposed upon this great interest of our country a twofold obligation. It has first withdrawn from agriculture its effective force of men and animals, converting them, moreover, into non-producing consumers; and it has then required it to support this vast body of non-producing consumers, in addition to the largely increased demands of our growing manufactories, of the mines, and of the cities, whose teeming millions must be fed, as well as the immense immigration, the increasing tide of which is flowing rapidly to our shores.

Nor are these the only claims upon our agricultural interests which it has successfully met. Commerce looks to it as its main support. It must not be forgotten that our surplus grain—that which is grown in excess of home consumption—freights our merchant ships, and is the chief commodity with which, at present, we discharge the obligations necessarily incurred abroad.

And it is not improper to notice in this connexion the gratifying fact that a beneficent Providence, amid the terrible calamity with which our country has been visited, has still grown such abundance in our fields and granaries that we can feed the hungry of other nations, having enough and to spare for our increased necessity.

Let us remember that it is the love of agriculture, and those who develop and teach it, which distinguishes the civilized from the uncivilized nations of the earth.

As a great and Christian people, whose beneficence heretofore has brought upon us the blessings of those who were ready to perish, we may well strain every nerve that again, if need be, we may become the Almighty's almoners to the nations of the earth.

I venture to hope that the next annual report of this department will embrace the agricultural statistics of the whole United States, to be forever and uninterruptedly thereafter "one and inseparable," prosperous and free.

Respectfully,

ISAAC NEWTON,
Commissioner of Agriculture.

His Excellency ABRAHAM LINCOLN, *President.*

REPORT

OF

THE POSTMASTER GENERAL.

FINANCIAL CONDITION

POST OFFICE DEPARTMENT,
November 2, 1864.

SIR: The postal revenues for the year ending the 30th June last were $12,438,253 78, and the expenditures of this department during the same period were $12,644,786 20, showing an excess of the latter of $206,532 42. The accompanying table, No. 1, (see Appendix,) exhibits the annual postal revenues and expenditures from 1854 to 1864, from which it will be seen that the average annual receipts of this department from 1859 to 1861, inclusive, were $8,745,282 62, and the average annual expenditures for the same period were $14,482,008 44, showing an average annual excess of expenditures over receipts of $5,736,725 82; and the average annual receipts from 1862 to 1864, inclusive, were $10,871,530 97, and the expenditures $11,694,785 72, showing an average annual excess of expenditures over receipts of $823,254 75.

The excess of receipts in 1864, over 1861, the first year of the rebellion, was $4,088,957 38.

Although the proportion of receipts as against the expenditures has, doubtless, been increased, on account of the suspension of the postal service in the insurrectionary States, the above exhibit furnishes the evidence of an improving financial condition of the department, highly creditable to the administration of my immediate predecessor.

The details of the financial operations of the department, during the last fiscal year are set forth in the accompanying report of the Auditor.—(See No. 21 of the Appendix.)

The estimate of expenditure for 1864 was fixed at $13,000,000, in which was included the sum of $1,000,000, specially appropriated for the overland mail service, being $355,213 80 more than the amount actually expended.

On the other hand, the revenues of 1864 were estimated at an increase of five per centum on those of 1862, making $8,714,000, while they actually reached $12,438,253 78, or $3,724,253 73 more than the estimate. This increase equals $42\frac{5}{8}$ per cent.

The increase of expenditures in 1864, compared with those of 1863, is $11\frac{5}{8}$ per centum, and the increase in the revenues for the same year $11\frac{3}{8}$ per cent.

This exhibit promises an increase of the revenues for 1865 over the estimate submitted in the report of last year.

ESTIMATES FOR 1866.

The expenditures of all kinds for the fiscal year ending June 30, 1866, (see table No. 2,) are estimated at.....	$14,098,500 00
The gross revenue for the year 1866, including foreign postage and miscellaneous receipts, is estimated at an increase of six per centum on the revenue of 1864, making.....	13,184,547 79
Estimated deficiency of revenue compared with estimated expenditures	913,952 21
From this sum must be deducted the amount of the permanent appropriations to compensate the department for carrying free mail matter, under acts of March 3, 1847, and March 3, 1851.....	700,000 00
By which the estimated deficiency is reduced to.....	213,952 21

The grants for the transportation of free mail matter for the last two fiscal years have not been expended. Assuming that the amount of $700,000 for the last year is still available, no appropriation for any deficiency in the revenues will be required.

In making the estimate of probable expenditures for 1866, the amounts actually expended under the several heads during the past fiscal year have been taken as a basis; but an increase in several of the items named has become necessary, particularly in the appropriation for postage stamps and stamped envelopes, the estimated cost of the latter being increased $140,000 per annum, according to the terms of a new contract, elsewhere referred to in this report.

DRAFTS AND WARRANTS.

The whole number of drafts and warrants issued during the year to the creditors of the department, in payment of balances reported to be due by the Auditor, was 16,608. The warrants were drawn on the Treasurer of the United States, five assistant treasurers and seven designated depositaries—and the drafts on sixty-five post office depositories, and on the postmasters at three hundred and sixty-one draft offices. Of the above-named post office depositories, forty-five were established on January 1, 1864.

AMOUNT CONCENTRATED IN HANDS OF DEPOSITARIES.

About 80 per cent. of the net revenue of the department for the year, or $7,083,179 81, was concentrated in the hands of the above-named depositaries and at draft offices. Of this amount, $5,327,761 was disbursed during the year, leaving subject to draft on July 1, 1864, $1,755,418 81.

The remainder of the revenue was collected by means of orders issued by the Auditor on postmasters at collection offices, and through payments made by postmasters to special mail carriers and mail messengers.

NUMBER AND VALUE OF STAMPS AND STAMPED ENVELOPES ISSUED.

During the fiscal year 334,054,610 postage stamps, of the value of $10,177,327, 26,644,300 stamped envelopes, amounting to $765,512 50, and 1,574,500 newspaper wrappers, amounting to $31,490, were issued. The total value of these *issues* was $10,974,329 50, which, compared with the issue of the previous year, ($10,338,760,) shows an increase of $635,569 50, or about 6¼ per cent. The value of the stamps, and stamped envelopes *sold* was $10,776,589 58, and the amount *used* in the prepayment of postage was $9,878,155 61. The details are exhibited in tables, (Nos. 3 and 4 of Appendix.)

AMOUNT OF STAMPS LOST IN THE MAILS.

Notwithstanding this enormous issue, the losses of stamps in the mails amounted only to $1,206, and of envelopes to $31 80. This result may be in part attributed to the system of registering each package of stamps and envelopes mailed, and to the fact that route agents and postmasters at separating offices are also instructed to keep a record of all such packages passing through their offices. During the year 1859, (the year immediately preceding the adoption of this system of registration,) the value of postage stamps issued amounted to $5,279,405, whilst the losses in transmission during the last six months of that period were $4,373. Since that time the losses have decreased, although the issue has increased about 92¾ per cent.

NUMBER OF PACKAGES OF STAMPS ISSUED

The number of packages of stamps sent out during the year was 58,500, of stamped envelopes 18,688, and the claims allowed for deficiencies in the number of stamps amounted to only $29, and in the stamped envelopes 80 cents, showing great care on the part of those intrusted with this branch of the business.

SUPPLY OF STAMPS TO THE ARMIES.

Postage stamps are regularly supplied to the armies of the Potomac and Cumberland, through special agents of the department located at or near the headquarters of each. Since the inauguration of this practice—about the 1st of July last—the agent stationed at City Point, Virginia, has sold stamps amounting to $29,773 96, and the agent of the army at Chattanooga $5,210.

ROBBERY OF MONEY AND STAMPS BY BANDS OF ARMED MEN.

Under the act for "the relief of postmasters who have been robbed by confederate forces or rebel guerillas," one hundred and thirty-nine claims have been made, representing losses of postage stamps and money amounting in the aggre-

gate to $5,958 97. Of the claims thus reported, sixty-two have been examined and reported on favorably, the aggregate of the credits allowed being $2,130 50 The balance of the claims—seventy-seven—representing $3,828 47, are still pending, the evidence furnished being in most cases insufficient.

LOSSES OF OFFICE FIXTURES, ETC.

Losses of a somewhat different character frequently occur, relief for which cannot be granted without additional legislation. I refer to cases where, by reason of the presence of armed forces, a post office is destroyed, and the postmaster loses the fixtures and furniture, and to cases where the loss is occasioned by our own troops. The report of my predecessor two years since recommended that such losses be provided for, and I invite attention to the subject, as several such claims have been made, where the losses have occurred through no fault of the postmaster.

NEW CONTRACT FOR STAMPED ENVELOPES.

During the last session of Congress a bill was passed for the relief of the contractor for furnishing the department with stamped envelopes and newspaper wrappers; under the provisions of which the existing contract expired on September 11, 1864, when a conditional contract was made, to expire December 31, 1864, at an advanced rate for stamps and envelopes.

ISSUE OF NEWSPAPER WRAPPERS DISCONTINUED.

After the award of the contract above referred to, the department and the contractor received a protest from a party in New York claiming to be the patentee of newspaper wrappers, with notice that he should assert his rights. Under these circumstances, and in view of the enormous advance in the contract price of the article, the department decided to discontinue the issue for the present.

Notwithstanding the advance of every article used in the manufacture of stamps, and the large increase in the number required by the department, the National Bank Note Company, of New York, have fulfilled, in a satisfactory manner, all their obligations. It is due to these contractors to add that they receive for postage stamps but twelve cents per thousand, whilst the contractors for internal revenue stamps receive thirty-three cents per thousand.

Seven temporary clerks have been employed for several years, who are paid out of the appropriation for postage stamps and stamped envelopes, and as they constitute a portion of the necessary force of the department, I suggest the propriety of providing for them by law.

CONTRACTS.

TRANSPORTATION STATISTICS.

Table A (No. 5) exhibits the service as it stood on the 30th of June last in the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, Ohio, West Virginia, Michigan, Indiana, Illinois, Wisconsin, Iowa, Missouri, Min-

nesota, Kentucky, California, Oregon, Kansas, and the Territories of New Mexico, Utah, Nebraska, Washington, Colorado, Dakota, and Nevada, at which time there were in operation in those States and Territories 6,083 mail routes, the number of contractors being 5,953. The length of these routes was 139,173 miles, and the service as follows, viz:

Railroad, 22,616 miles; steamboat, 7,278 miles; "celerity, certainty, and security," 109,278 miles—costing $5,818,469, divided as follows, viz: Railroad, 23,301,942 miles of transportation at $2,567,044, about 11 cents a mile; steamboat, 2,112,134 at $253,274, about 12 cents a mile; "celerity, certainty, and security," 30,901,281 at $2,998,151, about $9\frac{7}{10}$ cents a mile.

The length of routes was decreased 425 miles, whilst there was an increase in the annual transportation of 89,342 miles, and in the cost of $77,893.

The aggregate compensation of route agents, local agents, mail messengers, baggage masters in charge of express mails, and agents employed on steamers conveying mails to southern ports, was $546,753 48, which, added to the cost of service in operation on 30th June, 1864, ($5,818,469,) makes the total cost of mail transportation at that date $6,365,222 48.

MAIL LETTINGS OF 1864.

The contract term for the middle section, comprising the States of New Jersey, Pennsylvania, Delaware, Maryland, and Ohio, expired on the 30th of June last, and the new term commenced on the 1st of July following. The service under these lettings, for the first quarter of the contract, ended September 30, 1864, is exhibited by the annexed statement, viz:

	Miles.	Miles of annual transportation.	Cost.
Railroad	7,492	7,334,701	$932,349
Steamboat	392	218,088	17,735
"Celerity, certainty, and security"	21,193	6,845,996	407,071

Other tables, showing the operations of the Contract office, are appended to this report.—(See No. 5, B, C, D, E, and F.)

RAILROAD COMPANIES.

Notwithstanding an express provision of law, (section 29 of act of July 2, 1836,) which provides "that no person whose bid for the transportation of the mail may be accepted shall receive any pay until he shall have executed his contract according to law and the regulations of the department," but few of the railroad companies engaged in carrying mails are under contract; and the practice of recognizing their service from quarter to quarter has been necessary for a series of years, to enable the Auditor to issue orders in favor of the companies, for the collection of moneys in the hands of postmasters on the routes, and the adjustment of accounts for services rendered

Attention has been called to this subject by my predecessors for the purpose

of securing additional legislation investing the head of this department with power to compel compliance with the law by prohibiting payments except on executed contracts. The matter is discussed by Postmaster General Holt in his report of December 3, 1859, and again alluded to December 1, 1860, and also by my immediate predecessor in his reports of December 2, 1861, and December 1, 1862; but, believing that the law is sufficiently explicit as it now stands, I do not propose further legislation, in the hope that the several railroad companies will no longer refuse to enter into the obligations assumed by all other persons contracting with the government. Should I be disappointed in this reasonable hope, I shall not fail to call upon Congress for such legislation as the necessities of the service require.

MAILS ON THE ATLANTIC AND PACIFIC.

In the last annual report attention was called to the unsettled accounts of persons employed to convey mails by sea to the military and naval forces and inhabitants at New Orleans, Pensacola, and other ports, rendered necessary by the insurrection in the southern States, and also for service performed in steamships on the North Pacific coast during the winter of 1862, when the usual land routes were interrupted by extraordinary floods. These services were necessary to provide for communication with the soldiers and sailors engaged in the defense of the country, and the people isolated by an act of Providence, and were authorized by several acts of Congress. The Auditor of the treasury for this department, adjudging the contracts illegal, declined acting on the accounts of contractors and orders of the Postmaster General, rendering an appeal to Congress necessary. This resulted in the legislation contained in the 5th section of the "Act to provide for the conveyance of mails to foreign ports, &c.," approved March 25, 1864, under which the sum of $18,050 has been paid to several parties for the sea service, performed by order of the Postmaster General on the Atlantic coast and Gulf of Mexico, to the 30th of September last.

The claim made by the steamship owners for service on the North Pacific coast, during the floods of 1862 on the land, was at the rate of $8,000 per month for three months, but the amount deemed adequate by the department was $8,642 for the whole service, and this was the sum reported to the Auditor as due the claimants; but Congress having fixed the sum to be paid for this service at $1,500, which they declined to receive, the claim is still unadjusted.

OVERLAND MAILS.

The contract for service on the route from the Missouri river, *via* Salt Lake, to Placerville, California, under act of March 2, 1861, expiring on the 30th June last, an arrangement was made with the same parties for continuing the service on the same terms to September 30, 1864.

Under an advertisement dated March 22, 1864, inviting proposals for service from Atchison, Kansas, or St. Joseph, Missouri, to Folsom City, California, John H. Heistand, of Lancaster, Pennsylvania, was the lowest bidder, at $750,000

per annum; but his bid having been subsequently withdrawn, contracts have been made with Ben. Holladay, of New York, for the service between Atchison, or St. Joseph, and Salt Lake City, at $365,000, and with Wm. B. Dinsmore, president of the Overland Mail Company, also of New York, from Salt Lake City to Folsom City, at $385,000, making an aggregate of $750,000, per annum. These parties are believed to be able to fulfil their obligations. The contracts are from October 1, 1864, to September 30, 1868; the trips to be made in sixteen days eight months in the year, and in twenty days the remaining four months; to convey through letter mails only, mail matter prepaid at letter rates, and all local or way mails.

Paper and document mails for the Pacific coast are to be carried by sea, *via* New York and Panama, temporary arrangements having been made for their conveyance, within the sum named in the law of March 25, 1864, viz: $160,000 per annum, making the whole expense of territorial and Pacific mails not over $910,000 per annum, or $90,000 less than under the former contract.

Owing to Indian depredations, the overland service was much interrupted during the months of August and September last, and for a period of four or five weeks the *whole mail* for the Pacific coast and the Territories was necessarily sent by sea from New York.

CALIFORNIA AND OREGON ROUTE.

The contract for the California and Oregon route—Sacramento to Portland—terminating September 30, 1864, proposals were invited for the continuance of the service to 1865 and 1868. But one bid was received, that of the California Stage Company, at $250,000 per annum, which was deemed extravagant for the service required, and accepted to June 30, 1865, only, with a view to again invite competition, which has been done.

PEMBINA ROUTE.

Pursuant to the 8th section of the act of March 2, 1861, and the 2d section of the act of February 24, 1863, the contract for service on the route from St. Cloud, Minnesota, to Pembina, in Dakota Territory, was extended to June 30 1865, and the trips increased from one to two per week, at an increase of compensation of $17,167 per annum. As the contracts on all other routes in the State expire June 30, 1866, this will be relet for one year only, so that it may be embraced in the contract section to which it belongs.

POSTAL MAPS.

The topographer of the department having been instructed by my predecessor to prepare a set of maps, by States or groups of States, designed to show all the permanent routes, distances, and post offices thereon, in the United States, with other statistical information, I have to communicate that progress has been made in their preparation. It is found, however, that in consequence of the enhanced price of all articles purchased through the contingent fund, chargeable

with the expenses, that the fund, as previously estimated, will be insufficient, having regard to other demands upon it; and I therefore recommend that an appropriation of $10,000 be made for preparing and publishing these maps. It is believed that the proceeds of the sale of such as will not be needed for the use of this department will eventually more than reimburse the entire outlay, leaving a surplus which will diminish, to that extent, future appropriations for contingent purposes.

MAIL BAGS AND MAIL LOCKS.

The number and description of mail bags and mail locks purchased during the fiscal year ending June 30, 1864, and the cost thereof, appears in statement No. 6, in the appendix to this report.

CLAIM OF CARLISLE DOBLE.

By resolution of Congress, approved July 1, 1864, the Postmaster General was "authorized to examine and adjust the claim of Carlisle Doble for carrying the mails between Taylor's Falls, Minnesota, and Superior, Wisconsin, from April to November, 1857, and to pay him such sum of money as shall be found to be justly and equitably due." Under the authority thus conferred the claim was examined and the sum of $3,968 46 allowed, which was reported to the Auditor for payment on the 26th September last.

INSPECTION OFFICE.

On the 3d of March, 1864, the Inspection office of the department, in its distinct and separate form, was abolished, and its duties transferred to the Contract office, in charge of the Second Assistant Postmaster General.

The net amount of fines imposed and deductions made during the year from the pay of mail contractors, for failures and other delinquences, was $44,375,55.

SPECIAL AGENTS.

By the 17th section of an act of Congress approved July 1, 1864, chapter 197, page 339, it is enacted "that the special agent of the Post Office Department on the Pacific coast shall receive a compensation of five dollars per diem." The salary of this officer was $2,500 per annum under the act of March 2, 1861, and for all travelling and incidental expenses no greater sum than two dollars for each day employed could be allowed under the act of March 3, 1845.

It is not supposed that Congress intended to reduce the pay of this officer from $3,230 to $1,825, but such is the effect of the law, and I therefore recommend such a modification of that section as will restore his full salary of $2,500 per annum from the date of the passage of said act, and to provide for his actual travelling expenses a sum not exceeding five dollars per diem. Although, at the time of the passage of the said act, two dollars per diem was considered sufficient for the travelling and incidental expenses of these officers, it is now inadequate, and I recommend that all other special agents be allowed a sum not exceeding four dollars per day while employed.

For several years after the occupation of the Pacific coast by the United

States, the agent of this department stationed at San Francisco had larger powers than usually confided to special agents in the Atlantic States, particularly in reference to the adjustment of contractors' accounts, the practice being for him to give certificates of service performed under mail contracts, on which the postmaster at San Francisco made payments. The accounts were then transmitted to the Auditor for entry and final settlement. In this manner payments to mail contractors were expedited; but, doubts arising as to the authority of the Postmaster General to confer such powers on a subordinate officer, they were withdrawn, and the Pacific agent is now on the same footing with all other officers of his class. It is believed that the functions of this officer could be enlarged with advantage to the public service, and as previous legislation is necessary, attention is called to the subject.

In this connection it is proper to add that, from information which has recently reached me, I am apprehensive that the postal service in the Pacific States is not in as good condition as should be desired; and I may have occasion to communicate with Congress upon the subject during its approaching session.

ARMY MAILS.

Inquiry has been made of Lieutenant General Grant relative to the existing arrangements for supplying our armies with mails, with the assurance of my earnest purpose to co-operate with him in carrying into effect any desired improvements of that service; and I am gratified to learn from his reply, that the system of receiving and forwarding mails now in operation is entirely satisfactory; and that "our soldiers receive their mail matter with as much regularity and promptness as is possible for armies in the field, and with perhaps as much celerity and security as the most favored portions of the country." He also informs me that the policy originally adopted of excluding civilians from the mail service within the lines of the army, and detailing for that duty enlisted men of intelligence and reliability, will be continued.

DELAYS OF LETTERS IN DISTRIBUTING POST OFFICES.

For many years the regulations of this department have required that every post office should mail letters direct to every other office not on the route to any distributing office, and that all other letters should be mailed to the first distributing office on the route to their destination, involving considerable expense and delays in the transmission of the mails. This subject has been frequently referred to in the reports of this department. Elaborate distribution schemes have been proposed to improve the existing system, which is still considered defective.

COST OF DISTRIBUTION.

The majority of letters are now subjected to delays, while the expense attending the work in twenty-two distributing post offices amounted, during the fourth quarter of 1864, to nearly two hundred thousand dollars, being at the rate of eight hundred thousand dollars per year, or about sixty-two per centum of the whole expense of clerk-hire in all offices.

RAILWAY POST OFFICES—ADVANTAGES OF DISTRIBUTION ON RAILWAY POST OFFICES.

The mailing of all letters *direct* from one office to another, however situated, in so vast a territory as that embraced within the United States, is objectionable. The ordinary distributing post offices not meeting the necessities of the service, experiments have been commenced with railway or travelling post offices. The requisite cars for the purpose are prepared for one daily line between Washington and New York, and by means of clerks taken, temporarily, from the post offices at Washington, Baltimore, Philadelphia, and New York, letters intended for distribution at either of those points are distributed in the cars, and so arranged that they can be despatched without delay on connecting routes. Thus it is found that the transmission of letters is expedited from twelve to twenty-four hours, being the time usually lost in distributing offices. Similar experiments have been made on the routes from Chicago, Illinois, to Clinton, Davenport, and Dubuque, Iowa, with equally satisfactory results.

Attention has been given to the putting in operation the railway distribution to other prominent points, and the companies which have been asked to furnish the necessary car facilities have generally responded favorably. On the great eastern and western routes to Cleveland, as well as between Washington and New York, the size and importance of the mails and the amount of distribution to be done are such as to require accommodations to the extent of an entire car. West of Cleveland only a portion of a car will be used on each route.

CLERKS FOR RAILWAY POST OFFICES—SUPERINTENDENTS FOR RAILWAY POST OFFICES.

In order to make the work of railway post offices effectual, a change in the mode of mailing letters is necessary. All offices cannot mail *direct*, neither can all mail to a railway office. The work will, therefore, be divided between head offices and route offices, the former being those which are the initial or terminal points of routes, and the latter those offices or stations on the direct line of a road from which there are no post-roads diverging. Additional clerks, as well as superintendents and travelling postmasters, will be required, for whom I recommend provision be made by law.

EXPENSES OF RAILWAY DISTRIBUTION—REDUCTION OF WORK IN DISTRIBUTING POST OFFICES.

The introduction of the proposed scheme will necessarily be attended with difficulties, and must be accomplished gradually. The classification of offices alone will require time and labor, and for the present operations will be limited to a few principal railroad lines. Until the necessary classification is completed, and the railway distribution organized, it is anticipated that additional expenses will be involved; but it is hoped that the final effect will be to reduce the expenses connected with the present plan of distribution. Under the new law, also, which took effect first of July last, all accounting for *paid* letters has been dispensed

with, thus saving much labor heretofore required in mailing letters and in keeping accounts. The transcripts of mails sent and received under the old system at five of the principal offices amounted to 50,000 folios. The accounts from the same offices for the quarter ended 30th September last, during which changes were only partially introduced, show a saving in this respect of nearly fifty per cent. Thus in various ways the ordinary expenses of post offices are expected to be diminished so as to compensate for the cost of railway distribution. But, whether this result be fully attained or not, the expedition of mails will be insured.

FOREIGN MAIL SERVICE.

The statistics of the foreign service for the fiscal year ended June 30, 1864, are fully exhibited in the tables prepared by the Auditor of this department, also in statement No. 7 annexed to this report, and show the following general results, viz:

STATISTICS OF FOREIGN SERVICE.

The aggregate postage (sea, inland, and foreign) upon the correspondence exchanged with Great Britain, Prussia, France, Hamburg, Bremen, and Belgium, amounted to $1,399,605 69, being an increase of $174,930 48, as compared with the last year, and $21,458 37 in excess of the largest amount realized in any previous fiscal year. The collections in this country amounted to $881,730 68, and in Europe to $517,875 01: excess of collections in the United States $363,855 67. This result is significant and gratifying, showing a largely increased correspondence with Europe, notwithstanding the civil troubles agitating the country, and the interruption of postal communications with the southern States.

TRANSATLANTIC TRANSPORTATION.

The transatlantic mail transportation was performed as follows:

By the foreign steamships of the New York and Liverpool, Canadian, Bremen, and Hamburg lines, $770,365 01.

By British contract mail packets of the Cunard and Galway lines, $629,240 68.

The amount paid by this department for mail steamship service to and from Europe was $371,740 44—the steamships employed receiving the sea postage on the mails conveyed as compensation for the service. Of this amount the Liverpool and New York and Philadelphia Steamship Company received $202,914 34 for fifty-two outward and fifty-three inward trips between New York, Queenstown, and Liverpool; the Canadian mail packets, $77,175 30 for fifty-three round trips between Portland and Liverpool and Quebec and Liverpool; the North German Lloyd Steamship Company, $46,149 61 for sixteen outward and fifteen inward trips, and the New York and Hamburg Steamship Company, $45,501 18 for thirteen outward and twelve inward trips, between New York and Southampton.

BRITISH NORTH AMERICAN PROVINCES.

The total postages on the correspondence exchanged with British North American provinces during the year amounted to $307,371 39, being an increase

of $81,628 09 over the amount reported last year, and of $129,618 88 over that for the previous fiscal year. The postages collected in this country amounted to $168,755 74, and in the provinces to $138,615 64: excess in favor of the United States $30,140 10. This extraordinary increase of correspondence is probably partly owing to the fact that large numbers of rebel agents, sympathizers and refugees, have taken up their temporary abode in Canada and the other provinces.

WEST INDIA MAILS AND COST OF TRANSPORTATION.

The total postages on the mails conveyed to and from the West Indies amounted to $59,990 18, and the cost of transporting the same to and from Havana and other West India ports was $40,337 03, being $19,653 15 less than the United States postages on the mails conveyed. Heretofore the steamers employed in this service, received as compensation the gross amount of United States postages upon the correspondence transported, without allowing for the expenses of the inland service; but as no contracts were executed with the department, calling for the performance of a specified number of trips, according to a fixed schedule of sailing days; and as the mails they conveyed received no greater care or attention while in transit than is ordinarily given to first-class freight, it was considered by my predecessor proper that the compensation for the sea portion of the service should be so adjusted as to prevent loss to the postal revenues; and arrangements were accordingly concluded by him with the proprietors of all the steamship lines, except two, plying between New York and Havana, for a fixed compensation by the trip of $125 each way, or $250 per round trip, if not exceeding the United States postages on the mails conveyed. The proprietors of two of the steamship lines in question declined to accede to this rate of compensation, claiming that they were entitled to the gross amount of postages under the provisions of the 4th section of the act of June 15, 1860, which authorizes the Postmaster General to cause the mails to be transported between the United States and any foreign port or ports, by steamships, allowing therefor the sea and inland postage if by an American vessel, and the sea postage only if by a foreign vessel. The provisions of this section have not been construed by this department as *requiring* the Postmaster General to allow the sea and inland postages on the mails conveyed, to all American vessels, but simply as limiting the compensation in any case to that amount.

The payment of $250 per round trip, limited to the postages, having been generally accepted by the proprietors as ample remuneration for the steamship service between New York and Havana, no reason occurs to me why it should not be adopted as the uniform compensation for all the steamships employed on that route.

As doubts have arisen relative to the proper construction of the 4th and 5th sections of the act of the 14th of June, 1858, and the 4th section of the act of the 15th of June, 1860, which in effect superseded the last mentioned section, I recommend additional legislation authorizing the Postmaster General to cause the mails to be transported between the United States and any foreign port or

ports, or between ports of the United States touching at a foreign port, by steamship, allowing and paying therefor, if by an American vessel, any sum *not exceeding* the sea and United States inland postage, and if by a foreign vessel, any sum *not exceeding* the sea postage on the mails so conveyed.

PRIVATE SHIPS.

To protect the postal revenues from losses incident to the unauthorized conveyance of letters by private ships or vessels departing from the United States for foreign countries, I recommend the passage of a law requiring, as a condition of clearance, that the master or commander of any steamship or other vessel departing for a foreign port or ports, shall make oath or affirmation that he has not received on board his ship or vessel, and has not under his care or within his control, any letters addressed to a foreign country which have not been received directly from the post office at the port of departure, except such as are directed to the consignee of the ship or vessel.

CENTRAL AND SOUTH AMERICAN MAILS.

The United States postages upon the correspondence exchanged with Central and South America, *via* Aspinwall and Panama, amounted to $14,208 51, all of which was paid to Cornelius Vanderbilt for the sea and Isthmus transportation.

The provisions of article 3 of the United States and Canada postal convention have been so modified, by agreement between the respective post departments, as to abolish the international letter postage of fifteen cents per single rate, heretofore levied upon letters passing between Canada and California, Oregon, and Washington Territory, thus establishing a uniform international postage for letters of ten cents the single rate, prepayment optional, between Canada and all parts of the United States, without regard to distance or route of conveyance; and the benefit of the same uniform international rate of ten cents has also been extended to the correspondence exchanged with the province of New Brunswick.

UNITED STATES AND CANADA POSTAL CONVENTION.

Our arrangement with Canada adopts the principle of optional prepayment, in both countries, of the combined rate of international postage, each country retaining all the postage which it collects. It is the most simple form of international postal arrangement, inasmuch as it dispenses entirely with accounts between the respective post departments, and has been adopted with all the other provinces except Newfoundland. With the view of securing uniformity in our postal relations with those provinces, a recent effort was made to obtain the concurrence of Newfoundland in a like arrangement, which I regret to say was unsuccessful; the British post department declining to give its assent to the measure, on account of the additional British packet postage of four pence sterling, which is levied for the sea service to and from the island, and accrues to Great Britain.

VANCOUVER'S ISLAND AND BRITISH COLUMBIA.

The initiatory steps taken to conclude similar postal arrangements with the colonies of Vancouver's Island and British Columbia, referred to in the last annual report, have not as yet been attended with the success anticipated.

GREAT BRITAIN.

Additional articles to the United States and British postal convention have been agreed upon, constituting the British packet agency at Colon an office for the exchange of mails with the post office of New York, by means of the United States packets plying between those ports; the object being to prevent the delay to correspondence forwarded from the United States to ports and places on the Atlantic coast and interior of New Granada, previously caused by its transit across the Isthmus to and from Panama. A copy of these articles is annexed, (No. 8.)

An arrangement has also been concluded for expediting the transmission to destination of unpaid letters addressed to the United States, received at Panama by British packets from countries on the west coast of South America; this department agreeing to collect, and account to Great Britain, through the office of the British packet agency at Panama, for the unpaid postage charged thereon.

BREMEN AND HAMBURG—EXEMPTION OF MAIL PACKETS FROM CAPTURE IN TIME OF WAR.

An additional article to the United States and Bremen, and to the United States and Hamburg conventions, respectively, was executed on the 28th of March last, authorizing the conveyance of the international correspondence in time of war, or threatening war, by steamships sailing under neutral flag, whenever the same cannot be safely conveyed by United States, Bremen, or Hamburg steamships. Copies are annexed, (Nos. 9 and 10.) In view of the apprehension then felt that the war pending in the north of Europe might interrupt the mail service so long and advantageously performed by the Bremen and Hamburg lines of mail packets, steps were taken to ascertain whether the neutrality of the said steamers might not be secured by means of diplomatic correspondence; but this department has not been advised of the result. Our postal conventions with Great Britain and Mexico, respectively, recognize the principle that, even in time of war between the contracting parties, their respective mail packets shall continue their navigation without impediment or molestation until six weeks after a notification given by either of the two governments, and delivered to the other, that the service is to be discontinued; and as all governments have a common interest in claiming exceptional treatment for mail packets in case of war, to the end of maintaining regularity in international postal communications, it is a subject worthy of consideration whether, by treaty stipulations between nations or otherwise, a like principle might not be established between all governments, with proper safeguards against the transportation of persons or articles contraband of war.

NEW LINES OF MAIL PACKETS ESTABLISHED.

During the past year a new line of French mail packets has been established between France and the United States, the steamships plying, for the present, direct between Havre and New York, and making regular departures from each port, on Wednesday of every fourth week. The United States exchange offices of New York, Boston, and Philadelphia, despatch and receive mails regularly by means of this line, corresponding with the French exchanging offices of Paris and Havre, and with the French mail agent embarked on board of each packet.

This department has also concluded an arrangement for the transportation of the mails, fortnightly, between Boston and Halifax, Canso, and Pictou, (Nova Scotia,) and Charlotte Town, (Prince Edward Island,) the proprietors of the steamer to receive, as full compensation for the sea service, a moiety of the United States postages on the mails conveyed.

NEGOTIATIONS OF POSTAL CONVENTIONS

A correspondence has been opened with several of the post departments represented by commissioners at the Paris international postal conference, having for its object the negotiation of postal conventions, on the basis of the Paris resolutions, with those countries on the continent of Europe with which the United States has hitherto sustained no direct postal relation, as well as for the revision and amendment of existing postal conventions, so as to make them conform as nearly as practicable to the liberal principles of postal progress recommended by that conference as the basis of international arrangements. Favorable responses have been received from the several post departments interested in this subject.

STEAMSHIP SERVICE TO BRAZIL.

In conformity with the provisions of the act "to authorize the establishment of ocean mail steamship service between the United States and Brazil," approved May 28, 1864, an advertisement was issued inviting proposals for carrying the mails of the United States by a monthly line of first-class American seagoing steamships, between a port of the United States north of the Potomac river, and Rio de Janeiro, in Brazil, touching at St. Thomas, in the West Indies, and at Pernambuco and Bahia, in Brazil, for a contract term of ten years, to commence on or before the first day of September, 1865, and to date from the day the first steamship of such line shall leave the United States with the mails for Brazil.

Three proposals were received for this service, the lowest and the accepted bid being that of the New York, Nuevitas and Cuba Steamship Company, with Thomas Asencio & Co. and Manuel J. Mora, of New York, as guarantors, for the performance of the required service, at the sum of $240,000 per annum, to be divided equally between the two governments.

The act authorizing the establishment of this line of American steamships was the beginning of a new era in the history of our ocean mail service, which is being performed principally by steamers sailing under foreign flag. The government by this measure adopted the policy of co-operating with the individual enterprise of our citizens in establishing a direct mail steamship communication with the principal country of South America, with the object of providing a reliable and speedy transmission of correspondence, and developing a profitable commerce, legitimately belonging to us by reason of our geographical position, but which has been diverted into other channels by means of regular steamship communications with other countries not so favorably situated as ours for conducting an extensive trade with Brazil.

At present our only regular and reliable route of postal communication with Brazil and adjacent South American States is by the circuitous route *via* Great Britain or France, each of those countries maintaining a subsidized line of mail steamers plying to and from Rio de Janeiro, established nominally for postal purposes, but really in the interest of commerce, which is fostered and developed by regular mail steamship communication.

ROUTE FROM SAN FRANCISCO TO JAPAN AND CHINA—ITS COMMERCIAL ADVANTAGES.

There are other ocean routes besides the one to Brazil, which can be safely and profitably occupied by American lines of mail steamers, among which the route between San Francisco, Japan, and China, at present unoccupied by foreign mail packets, is perhaps the most important in a commercial point of view, and may be made available in securing to us a large participation in the commerce of the East, the greater portion of which is now enjoyed by Great Britain through her mail steamship connections, *via* Suez, in the Indian ocean and China seas.

The central position of the United States between eastern Asia and western Europe, affording routes but little longer, if any, than those now traversed between these distant regions, aided by the superior expedition of railway transportation between the Atlantic and Pacific coasts, will furnish such facilities as will make their adoption a practical necessity for the commercial intercourse between Europe and the populous countries of eastern Asia. These considerations, and others which will readily suggest themselves, render it important that the Pacific routes properly belonging to us, should be occupied by American mail steamers, the profits of which, with the addition of a small subsidy for the mail service, would justify the establishment of one or more steamship lines, which would be remunerative to the proprietors.

AID TO PROJECTED STEAMSHIP LINES.

Experience has demonstrated the impolicy of appropriating large sums of money out of the public treasury to gratify a spirit of national emulation in the support of expensive mail service upon routes the profits of which are shared by the steamships of other nations, and without regard to the compensatory

benefits to be derived from the development of our national resources; instead of granting incidental aid to such projected steamship lines to neighboring countries as promise to be self-supporting after their establishment, and open up to our citizens new avenues of profitable trade and commerce.

The principle adopted in the law authorizing mail steamship service to Brazil, of inviting competition for the service, is in such harmony with the spirit of our commercial policy, and promises so beneficent results, as to commend itself to my approval as one that should be invariably adhered to. But if there be a departure from this policy, it may be well to consider the expediency of adopting the plan of using a portion of the large number of government vessels that will be unemployed upon the restoration of peace, in the forming of mail lines with the principal commercial marts of the world in such manner as will promote the interests of commerce in the transportation of persons and property.

APPOINTMENTS.

NUMBER OF POST OFFICES.

Including the suspended post offices, the whole number on the 30th June, 1864, was 28,878; of which 19,976 are in the loyal, and 8,902 in the disloyal States. The number of Presidential offices is 705, and 28,173 are under the appointment of the Postmaster General. The number of offices in each State and Territory at the close of the fiscal year is shown in the Appendix, (table No. 11.)

CHANGES DURING THE YEAR.

During the year, 619 post offices have been established, 788 discontinued, and 211 changes made of names and sites. The number of cases acted upon was 5,579. Four thousand seven hundred and thirteen postmasters have been appointed, of whom 3,028 were to fill vacancies occasioned by resignations; 674 by removals; 259 by death; 133 by change of names and sites, and 619 on establishment of new offices. The details appear in the Appendix, (table No. 12.)

CLASSIFICATION OF OFFICES AND SALARIES OF POSTMASTERS.

Under the provisions of the act approved July 1, 1864, "to establish salaries for postmasters, and for other purposes," the salary of the postmaster of New York, and of the postmasters at offices of the first, second, and third classes, have been fixed as provided by law. (See Appendix, table No. 13.)

The 5th section of the act above referred to authorizes the Postmaster General to allow at the office of New York, and at the offices of the first and second classes, a reasonable sum for the necessary cost of rent, fuel, lights, and clerks. No authority is given to allow for other necessary items, such as repairs of furniture cleaning, stationery, printing, and other incidentals, required in large offices, and I beg leave to suggest that the necessary authority be given to appropriate a reasonable amount out of the revenues of the respective offices to meet such contingencies.

SPECIAL, ROUTE, AND LOCAL AGENTS AND BAGGAGE MASTERS.

At the close of the fiscal year there were twenty special agents, whose salaries amounted to $34,100; four hundred and fourteen route agents, receiving $313,912; fifty-three local agents, $32,009; and one hundred and five baggage masters in charge of through and express mails, $6,780.

LETTER CARRIERS.

The free delivery of mail matter by carriers has been introduced at sixty-six offices, employing, at present, 685 carriers, at an aggregate annual compensation of $317,061 22.

Tables are herewith annexed, showing the operations of the system. (See Appendix, Nos. 14 and 15.)

DEAD LETTERS.

NUMBER RECEIVED.

The number of dead letters of every description received and examined during the year was 3,508,825, being an increase of 958,409 over the preceding year, attributable mainly to the return of large numbers of army and navy letters which it was found impracticable to deliver.

MONEY AND OTHER VALUABLE LETTERS.

During the year there were registered and remailed to the respective owners, as containing money, 25,752 letters, containing an aggregate of $131,611 24, of which number 20,059, containing $104,665 84, were delivered; 4,412 letters, containing $20,485 49, were returned to the department, being addressed chiefly to soldiers and sailors, and persons transiently at places of mailing or address.

The number of dead letters containing papers of value, other than money, as deeds, bills of exchange, drafts, checks, &c., received, registered, and returned for delivery to the owners, was 12,436, and the nominal value of the enclosures therein was $1,615,694 75, being an increase over the previous year of 4,104, or about fifty per cent., while the increase in the value of the enclosures was but $71,416 94. The number of these letters delivered was 11,378, or ninety per cent.

LETTERS CONTAINING LIKENESSES, JEWELRY, ETC.

During the year 45,380 letters and packages were received containing photographs, daguerreotypes, and articles of jewelry. Of this number, 29,999 were sent out for delivery, 26,607 of which contained photographs and daguerreotypes, 1,410, articles of jewelry, and 1,982, other miscellaneous articles. Of the whole number sent out, 18,213 were delivered to either the senders or parties addressed, the postage on which amounted to $1,944 24.

SALE OF ARTICLES NOT DELIVERED.

In May last a large number of packages containing miscellaneous articles which had been accumulating for several years, were classified and sold at public auction, the proceeds amounting to $1,175 27.

AGGREGATE OF VALUABLE LETTERS.

The number of valuable dead letters registered and sent out for delivery was 68,187, being 23,574 more than the preceding year, and there were returned to the adjutant general's, quartermaster general's, and other public offices, 11,116 letters and packages containing muster rolls, descriptive lists, and soldiers' discharge papers; 66,691 letters containing postage stamps and money in less sums than one dollar, or articles of less than one dollar in value, were returned to the senders.

UNMAILABLE LETTERS, ETC.

The number of letters which it was found impossible to forward from the offices where deposited, or to deliver to the parties addressed, because of the postage being unpaid, or on account of being illegibly directed, and which were in consequence sent to the dead letter office was 115,812. Of this number, 72,074 were "held for postage," being addressed to foreign countries, to which the prepayment of postage is compulsory, or to those countries with which the United States have no postal arrangement; 38,068 of the number were "misdirected," or so imperfectly or illegibly addressed that their destination could not be ascertained. A large number of this last class were without any address whatever, and in many instances contained enclosures of value.

During the year there were received at the department 5,112 applications for missing letters, for all of which examinations were made and the applicants notified of the result.

LETTERS ADDRESSED TO PLACES WITHIN THE REBELLIOUS STATES.

A large number of letters addressed to rebel localities have been returned from various sources to the dead letter office, amounting in the aggregate to 31,423, of which number 28,421 were of domestic, and 3,002 of foreign origin. They were all indorsed "mails suspended," and returned, the domestic to the writers, and the foreign to the countries in which they originated.

LETTERS WITH FICTITIOUS ADDRESSES.

Within the past year, 4,256 letters addressed to fictitious persons or firms were sent by postmasters to the dead letter office, and thence returned to writers or senders. The addresses were assumed evidently for the purpose of conducting some fraudulent business, and in many instances these letters were found to contain remittances.

ORDINARY DEAD LETTERS, AND REVENUE THEREFROM.

Under the provisions of the act approved January 21, 1862, 1,068,499 ordinary dead letters, or those not evidently worthless were returned to the writers, after having been placed in new envelopes. Out of this number, 4,044 were returned to banks and insurance companies, 90,856 to business firms, and 917,599 to individuals. Included in the above aggregate are 9,761 letters returned free of postage; these consisted of official letters from the various depart-

ments, and letters sent to the various hospitals for sick and wounded soldiers. 41,016 dead letters written in foreign languages were also returned during the year.

About 24½ per cent. of the whole number sent out for delivery to the writers failed to be delivered and were again returned to the department.

AMENDMENTS SUGGESTED.

The gross revenue derived from the dead letter postage collected on the letters sent out and delivered amounted to $23,558 28, out of which were paid the clerks employed in redirecting them. The collection of postage on such returned letters complicates the accounts under the law fixing salaries for postmasters. These letters must be entered at the mailing, and then at the receiving office, and postage collected; and such as cannot be delivered must be credited to the postmaster when sent to the dead letter office. The aim of the department is to have no unpaid letters in the mails, and to collect all revenues by means of postage stamps, avoiding the necessity of keeping accounts. In future, postmasters are to enter in their accounts only unpaid letters, which are mostly from or to foreign countries, and it seems inconsistent to send thousands daily from this department with instructions to enter them and collect postage. The amount is comparatively small, and yet the attendant labor very considerable. I therefore suggest, as a matter for the consideration of Congress, the propriety of restoring prepaid letters to the owners free of postage, especially in view of the fact that a very large proportion go to persons of moderate means.

WHOLE NUMBER OF DEAD LETTERS SENT OUT.

The number of domestic letters of all descriptions sent out from the dead letter office during the year, was 1,403,998. In addition to these large numbers of letters bearing requests for their return to the writers, if unclaimed a specified time, are returned by postmasters without passing through the dead letter office, and constant efforts are made to promote this mode of return.

FOREIGN DEAD LETTERS.

The number of letters returned unopened to foreign countries during the year was 162,591, the amount of unpaid postage on which was $9,161 53. The number received from foreign countries in the same condition, during the same period, was 62,427, and the amount of unpaid postage thereon $2,088 57. (For particulars, see table No. 16 of Appendix.)

During the first year of the rebellion, the number of letters which passed between the United States and European countries decreased, while at the same time the ratio of letters returned increased. Each subsequent year the correspondence has been increasing, while the ratio of dead letters returned to Europe has decreased, (see table No. 17 of Appendix.)

UNCLAIMED MONEY IN DEAD LETTERS.

By authority of an act of Congress, the unclaimed money from dead letters is used to promote the efficiency of the dead letter office, by providing temporary

clerks to assist in the examination and return of letters. The fund thus realized was $5,083 47, to which was added the proceeds of the sale, hereinbefore referred to, $1,175 27, making a total of $6,258 74. Deducting the amount expended for clerks, $2,966 82, and incidental expenses, $32 80, a balance remained, June 30, 1864, of $3,259 12.

POSTAL MONEY-ORDER SYSTEM.

The act approved May 17, 1864, authorized the Postmaster General to establish, "under such rules and regulations as he may find expedient and necessary, a uniform money-order system at all post offices which he may deem suitable therefor;" and it further provided that this system should be put into operation during the fiscal year ending June 30, 1865.

A superintendant and assistant have been appointed, one hundred and forty-one post offices have been designated as money-order offices, and the operation of the system commenced on the first instant.

The maximum amount for which a money-order can be issued is fixed by law at thirty dollars, the object of the system being to afford a cheap, immediate, and safe agency for the transfer through the mails of *small sums* of money. The tendency of the system is to exclude money from the mails, the presence of which in letters is a frequent cause of the loss of correspondence, even when the latter does not contain money. The limit of thirty dollars is believed to be sufficiently large to include all that class of remittances now sent in money through the mails, but in exceptional cases more than one order can be procured. The average amount contained in each money letter received at the dead letter office during the fiscal year 1862 was $4 53; during 1863, it was $4 20; and in 1864, $5 18—showing that, as a rule, money remittances by mail are made in small amounts.

EXPLANATION OF THE SYSTEM.

The mode by which safety in the transfer of money s isecured, consists in leaving out of the order the name of the payee or party for whom the money is intended. In this respect a money-order differs from an ordinary bank draft or check. When a money-order is applied for, the postmaster will furnish the applicant with a printed form of application, in which the latter will enter all the particulars of amount, name, address, &c., required to be stated in the money-order and advice. From the items contained in such application the postmaster will fill up the money-order and also the corresponding form of advice. The order, when completed, is handed to the applicant, upon payment of the sum expressed therein and of the fee chargeable thereon. By the mail immediately following the issue of a money-order, the postmaster transmits the corresponding advice to the postmaster at the office upon which it is drawn. The latter is thus furnished, before the order itself can be presented, with the necessary information to detect fraud, if any should be attempted. A money-order is rendered invalid unless it is presented to the postmaster on whom it is

drawn within ninety days from its date; but the Postmaster General can issue a new order on the application of the payee, upon the payment of a second fee. The same course is to be pursued should the order be lost. In this case, the payee is to furnish a statement, under oath, that the order has been lost or destroyed, accompanied by the certificate of the postmaster that it has not been paid, and will not be paid if thereafter presented. The payee may transfer his order to another party by his indorsement to that effect; but more than one indorsement is prohibited. Persons, therefore, residing at places in the vicinity of those designated in the list of money-order offices can generally avail themselves of this system.

In commencing the money-order business, it has been deemed expedient to begin with the larger offices, and extend it to others as rapidly as possible. Measures will also be taken for its introduction in the army.

The establishment of the system in this country will no doubt lead to arrangements for the interchange of international money-orders with the several foreign countries with which we have direct postal relations.

ADDITIONAL LEGISLATION SUGGESTED.

By the eleventh section of the act above referred to, postmasters are prohibited from depositing in any bank money-order funds of which they have the custody. I would respectfully suggest that the business would be facilitated by enabling the postmasters having moneys from this source to deposit in the national banks designated by the Secretary of the Treasury as depositories of the public moneys, to their own credit, and at their risk, and thereby relieve the department from the necessity of furnishing vaults and safes. Substantial advantages would also result to the public interests by permitting all deputy postmasters to deposit in these banks any public moneys in their hands, under like conditions; and I recommend such modification of the law as will authorize such deposits to be made under the direction of the Postmaster General.

I have the honor to be, very respectfully, your obedient servant,

WILLIAM DENNISON,

Postmaster General.

The PRESIDENT.

SELECTIONS FROM DOCUMENTS ACCOMPANYING THE REPORT OF THE POSTMASTER GENERAL.

Statement of revenue and expenditures for eleven years, from 1854 *to* 1864, *inclusive.*

Years.	Expenditures.	Revenues.	Deficiencies.
1854	$8,557,424 12	$6,955,586 22	$1,621,837 90
1855	9,968,342 29	7,352,136 13	2,626,206 16
1856	10,407,868 18	7,620,821 66	2,787,046 50
1857	11,507,670 16	8,053,951 76	3,453,718 40
1858	12,721,636 56	8,186,792 86	4,543,843 70
1859	14,964,493 33	7,968,484 07	6,996,009 26
1860	14,874,772 89	9,218,067 40	5,656,705 49
1861	13,606,759 11	9,049,296 40	4,557,462 71
1862	11,125,364 13	9,012,549 56	2,112,814 57
1863	11,314,206 84	*11,163,789 59	150,417 25
1864	12,644,786 20	*12,438,253 78	206,532 42

*Not including the standing treasury credit of $700,000 for free matter.

Estimates for expendstures for 1866.

For inland mail transportation	$7,800,000 00
For ship, steamboat, and way letters	8,000 00
For compensation to postmasters	3,175,000 00
For clerks for post offices	1,300,000 00
For payment of letter-carriers	400,000 00
For wrapping-paper	75,000 00
For twine	17,000 00
For office stamps	6,000 00
For letter balances	2,500 00
For compensation to blank agents and assistants	7,000 00
For office furniture	2,000 00
For advertising	68,000 00
For postage stamps and stamped envelopes	250,000 00
For mail depredations and special agents	70,000 00
For mail bags	60,000 00
For mail locks and keys	8,000 00
For payment of balances due foreign countries	350,000 00
For miscellaneous payments	250,000 00
	13,848,500 00
Estimate for the transportation of foreign mails for 1866:	
For trans-Atlantic mails	182,000 00
Between New York, Havana, and other West India ports	48,000 00
Between New York, Central America, and Pacific ports	20,000 00
Expenditures for 1866	14,098,500 00

Postage stamps and stamped envelopes issued during the fiscal year 1863–'64.

Quarter ending—	1-cent.	2-cent.	3-cent.	5-cent.	10-cent.	12-cent.	24-cent.	30-cent.	90-cent.
September 30, 1863	959,900	16,562,600	56,767,600	266,660	589,580	170,325	257,025	69,570	6,400
December 31, 1863	490,700	11,588,900	62,333,200	179,300	662,030	195,250	324,225	85,970	8,640
March 31, 1864	289,100	13,469,700	74,481,000	263,440	897,160	314,200	413,150	133,860	10,800
June 30, 1864	356,600	12,153,900	78,056,100	195,600	770,460	196,750	419,525	106,500	8,890
Total	2,096,300	53,775,100	271,637,900	905,000	2,919,230	876,525	1,413,925	395,900	34,730

Stamped envelopes and newspaper wrappers.

Quarter ending—	2-cent.	3-cent.	6-cent.	Newspaper wrappers.
September 30, 1863	969,100	5,194,600	15,350	433,500
December 31, 1863	825,600	6,085,050	5,200	456,750
March 31, 1864	792,750	6,158,100	7,850	333,500
June 30, 1864	911,500	5,668,500	10,700	350,750
Totals	3,498,950	23,106,250	39,100	1,574,500

Whole number of postage stamps	334,054,610	value	$10,177,327 00
Whole number of stamped envelopes	26,644,300	"	765,512 50
Whole number of newspaper wrappers	1,574,500	"	31,490 00

Comparative statement of the value of stamps and stamped envelopes issued during the last five years

Years.	Stamps.	Envelopes.	Total.
1860	$5,920,939 00	$949,377 00	$6,870,316 00
1861	5,908,522 00	781,711 00	6,690,233 00
1862	7,078,188 00	756,904 00	7,835,092 00
1863	9,683,394 00	655,366 00	10,338,760 00
1864	10,177,327 00	765,512 50	10,974,329 50

Increase of 1864 over 1860	$4,104,013 50
Do 1861	4,284,096 50
Do 1862	3,139,237 50
Do 1863	635,569 50

Mail service in the States of New Jersey, Pennsylvania, Delaware, Maryland and Ohio.

	Annual transportation.	Annual cost.
Service as in operation June 30, 1864.		
	Miles.	*Dollars.*
Railroad	7,172,443	894,477
Steamboat	186,888	17,502
"Celerity, certainty, and security"	7,110,484	374,329
Total	14,469,815	1,286,308
	14,398,785	
Decrease	71,030	
Service as in operation September 30, 1864.		
Railroad	7,334,701	932,349
Steamboat	218,088	17,735
"Celerity, certainty, and security"	6,845,996	407,071
Total	14,398,785	1,357,155
		1,286,308
Increase		70,847

Table showing the increase and decrease of post offices in the several States and Territories; also the number of post offices at which appointments are made by the President and by the Postmaster General.

States and Territories.	Whole number of post offices June 30, 1863.	Increase.	Decrease.	By the President of the United States June 30, 1863.	Increase.	Decrease.	Total by the President of the United States June 30, 1864.	Total by the Postmaster General June 30, 1864.	Whole number of offices in the United States June 30, 1864.
Alabama	875	.....	.....	8	....	....	8	867	875
Arkansas	730	.....	.....	2	....	....	2	728	730
Arizona	1	.....	.....	.....	....	....	.....	1	1
California	398	10	.....	15	....	....	15	393	408
Colorado	59	.....	6	1	1	....	2	51	53
Connecticut	383	.....	2	13	7	....	20	361	381
Dakota	9	2	.....	.....	.....	....	.....	11	11
Delaware	69	.....	2	2	....	....	2	65	67
District of Columbia	4	.....	.....	2	....	....	2	2	4
Florida	174	.....	.....	2	....	....	2	172	174
Georgia	893	.....	.....	12	....	....	12	881	893
Idaho	8	9	.....	.....	.....	....	.....	17	17
Illinois	1,535	4	.....	36	19	....	55	1,484	1,539
Indiana	1,267	.....	25	26	9	....	35	1,207	1,242
Iowa	1,013	.....	34	15	10	....	25	954	979
Kansas	279	2	.....	4	2	....	6	266	272
Kentucky	782	.....	62	15	4	....	19	701	720
Louisiana	387	.....	.....	5	....	....	5	382	387
Maine	800	1	.....	17	3	....	20	781	801
Maryland	408	5	.....	8	4	....	12	401	413
Massachusetts	657	2	.....	44	14	....	58	601	659
Michigan	837	6	.....	22	9	....	31	812	843
Minnesota	470	8	.....	5	2	....	7	471	478
Mississippi	668	.....	.....	8	....	....	8	660	668
Missouri	1,003	.....	143	12	4	....	16	844	860
Montano	.....	.....	.....	.....	.....	.....	.....	.....	.....
Nebraska	121	4	.....	2	....	....	2	123	125
Nevada	14	5	.....	2	....	....	2	17	19
New Hampshire	389	3	.....	10	....	....	10	382	392
New Jersey	480	.....	.....	16	5	....	21	459	480
New Mexico	17	.....	2	.....	1	....	1	14	15
New York	2,584	2	.....	82	21	....	103	2,483	2,586
North Carolina	1,185	.....	.....	7	....	....	7	1,178	1,185
Ohio	1,946	.....	14	47	10	....	57	1,875	1,932
Oregon	99	.....	.....	2	....	1	1	98	99
Pennsylvania	2,530	26	.....	43	17	....	60	2,496	2,556
Rhode Island	94	.....	.....	6	1	....	7	87	94
South Carolina	634	.....	.....	4	2	....	6	628	634
Tennessee	1,024	4	.....	5	1	....	6	1,022	1,028
Texas	923	.....	.....	4	....	....	4	919	923
Utah	59	15	.....	1	....	....	1	73	74
Vermont	435	2	.....	9	2	....	11	426	437
Virginia	1,244	3	.....	13	....	....	13	1,234	1,247
Washington	69	.....	2	.....	....	....	.....	67	67
West Virginia	541	5	.....	2	....	....	2	544	546
Wisconsin	959	5	.....	21	8	....	29	935	964
	29,047	123	292	550	156	1	705	28,173	28,878

Table of mail service in the following States and Territories for the year ended

[The entire service and pay is set down to the State under which it is numbered, though extend

States and Territories.	Length of routes.	ANNUAL TRANSPORTATION AND COST.					
		Certainty, celerity, and security.		By steamboat.		By railroad.	
	Miles.	*Miles.*	*Dollars.*	*Miles.*	*Dollars.*	*Miles.*	*Dollars.*
Maine	4,376	3,827	52,751	.....	.....	549	54,718
New Hampshire	1,857	1,386	17,845	60	1,650	411	35,921
Vermont	2,234	1,728	26,635	.....	.....	506	62,910
Massachusetts	2,725	1,159	27,149	240	7,800	1,326	163,324
Rhode Island	371	230	3,831	28	800	123	17,911
Connecticut	1,667	911	17,090	.....	.....	756	98,499
New York	13,036	7,332	138,535	2,644	*23,713	3,059	347,672
New Jersey	2,136	1,428	28,514	59	4,038	649	69,360
Pennsylvania	13,441	11,145	177,605	85	6,375	2,211	201,321
Delaware	438	326	7,817	.....	.....	112	11,268
Maryland	2,921	2,055	47,483	36	589	830	183,608
Ohio	11,944	8,333	112,910	187	6,500	3,424	428,920
West Virginia	1,933	1,508	22,242	425	25,700	.....	.....
Michigan	7,281	5,350	58,712	939	17,328	992	114,325
Indiana	7,823	6,075	57,915	.....	.....	1,748	193,578
Illinois	9,739	6,917	100,514	.....	.....	2,822	271,048
Wisconsin	7,440	6,177	78,738	162	795	1,101	93,997
Iowa	8,949	8,020	132,617	228	8,944	701	43,056
Missouri	9,951	8,717	†1,137,479	432	22,350	802	119,268
Minnesota	5,332	4,733	89,036	599	36,495	.....	.....
Kentucky	6,233	5,003	98,239	759	‡33,200	471	51,700
California	5,123	4,826	245,383	274	45,500	23	4,640
Oregon	1,031	910	37,913	121	11,497	.....	.....
Kansas	3,188	3,188	57,355	.....	.....	.....	.....
New Mexico Territory	1,786	1,786	58,332	.....	.....	.....	.....
Utah Territory	944	944	30,637	.....	.....	.....	.....
Nebraska Territory	1,129	1,129	39,283	.....	.....	.....	.....
Washington Territory	1,981	1,981	51,457	.....	.....	.....	.....
Colorado Territory	1,565	1,565	40,610	.....	.....	.....	.....
Dakota Territory	432	432	4,124	.....	.....	.....	.....
Nevada Territory	167	167	9,400	.....	.....	.....	.....
Total	139,173	109,278	2,998,151	7,278	253,274	22,616	2,567,044
Route and local agents and mail messengers	.....	.....	.....	.....	.....	.....	.....
Aggregate	.....	.....	.....	.....	.....	.....	.....

June 30, 1864, *as exhibited by the state of the arrangements at the close of the year*

ing into other States, instead of being divided among the States in which each portion of it lies.]

Total annual transportation by "certainty, celerity, and security."	Total annual transportation by steamboat.	Total annual transportation by railroad.	Total annual transportation.	Total annual cost.	Remarks.
Miles.	*Miles.*	*Miles.*	*Miles.*	*Dollars.*	
1,378,312	.....	404,444	1,782,756	107,469	
489,372	28,080	352,248	869,700	55,416	
681,858	.....	439,608	1,121,466	83,545	
614,081	149,760	1,459,414	2,223,255	198,273	
94,328	34,944	144,144	273,416	22,542	
430,846	.....	789,082	1,219,928	115,589	
3,008,706	370,085	4,198,100	7,576,891	499,930	* Embraces the sea routes to southern ports.
586,690	44,304	686,292	1,317,286	101,912	
3,413,666	53,040	1,997,414	5,464,120	385,301	
125,112	.....	99,652	224,764	19,085	
806,554	11,232	1,261,920	2,079,706	231,680	The Baltimore, Wilmington, and Philadelphia railroad is under a Maryland number.
2,178,462	78,312	3,127,165	5,383,939	548,330	
330,491	90,398	.....	420,889	47,942	
1,928,197	228,765	1,065,948	2,522,910	190,365	
1,160,692	.....	1,754,798	2,915,490	251,493	
1,795,871	.....	2,480,640	4,276,511	371,562	
1,401,390	57,226	1,175,438	2,634,044	173,530	
2,079,046	94,848	637,027	2,810,921	184,617	
2,928,093	138,112	824,375	3,890,580	1,279,097	† Includes $1,000,000 for the "great over land mail."
1,087,673	217,854	.....	1,305,527	125,531	
1,367,525	312,166	375,290	2,054,981	183,139	‡ Includes steamboat service from Louisville to Cincinnati.
1,542,260	170,976	28,953	1,742,189	295,523	
207,586	32,032	.....	239,618	49,410	
715,988	.....	.....	715,988	57,355	
185,744	.....	.....	185,744	58,332	
120,640	.....	.....	120,640	30,637	
414,908	.....	.....	414,908	39,283	
198,212	.....	.....	198,212	51,457	
195,780	.....	.....	195,780	40,610	
75,790	.....	.....	75,790	4,124	
57,408	.....	.....	57,408	9,400	
30,901,281	2,112,134	23,301,942	56,315,357	5,818,469	
.....	.....	.....	.....	546,753	
.....	.....	.....	.....	6,365,222	

A table showing the increase and decrease of mail transportation and cost in

States and Territories.	CELERITY, CERTAINTY, AND SECURITY.				STEAM-	
	Length of route.		Cost.		Length of route.	
	Increase.	Decrease.	Increase.	Decrease.	Increase.	Decrease.
	Miles.	*Miles.*	*Dollars.*	*Dollars.*	*Miles.*	*Miles.*
Maine		2		143		
New Hampshire		7	16			
Vermont		66		828		
Massachusetts		15		260		
Connecticut	3		170			
New York		14	2,704		*2,469	
New Jersey		146		1,528		
Pennsylvania		115		2.170		
Delaware						
Maryland	3		75			
Ohio		144		1,409		
Michigan		153	720			78
Indiana		162		191		
Illinois		142		546		
Wisconsin		19	†11,408			
Iowa		239		1,864		
Missouri		1,206		14,547		
Minnesota		265		2,496		
Kentucky		531		5,565	227	
California		98		799		¶10
Oregon	305		24,400			130
Kansas		139		804		
New Mexico Territory		56		491		
Utah Territory	248		**15,400			
Nebraska Territory		77	††2,769			
Washington Territory		339		8,507		
Colorado Territory		138		1,562		
Dakota Territory	49		735			
Nevada Territory	167		9,400			
Total	775	4,073	67,797	43,710	2,696	218
Deduct		775	43,710		218	
Decrease		3,298				
Increase			24,087		2,478	

* Sea routes to southern ports.
† This increase arises from putting in operation the service from Green Bay to Hancock.
‡ On the route from Fort Madison to Davenport $30 the round trip allowed in lieu of $22 59.
§ 25 per cent. increase in pay on routes from St. Paul to Galena, and from La Crosse to St. Paul.
‖ Service on 13 miles of the route from Nicholasville to Covington reduced from twelve to six times a week.

the following States and Territories during the year ended June 30, 1864.

BOAT.		RAILROAD.				TOTAL ANNUAL TRANSPORTATION.		TOTAL ANNUAL COST.	
Cost.		Length of route.		Cost.		Net increase.	Net decrease.	Net increase.	Net decrease.
Increase.	Decrease.	Increase.	Decrease.	Increase.	Decrease.				
Dollars.	*Dollars.*	*Miles.*	*Miles.*	*Dollars.*	*Dollars.*	*Miles.*	*Miles.*	*Dollars.*	*Dollars.*
.....	.....	.....	.....	.....	.....	1,010	.....	.....	143
.....	.....	.....	.....	.....	.....	2,340	.....	16	.....
.....	.....	15	.....	3,285	.....	.....	11,650	2,457	.....
.....	.....	24	.....	967	.....	10,378	.....	707	.....
.....	.....	.....	.....	.....	.....	9,304	.....	170	.....
*16,900	.....	35	.....	1,750	.....	340,955	.....	21,354	.....
.....	.....	67	.....	2,974	.....	.....	3,808	1,446	.....
.....	.....	230	.....	10,174	.....	115,974	.....	8,004	.....
.....	.....	.....	1	.....	125	.....	1,248	.....	125
.....	.....	.....	.....	.....	.....	12,006	.....	75	.....
.....	.....	14	.....	1,125	.....	26,841	.....	.....	284
.....	2,648	.....	13	.....	416	10,338	.....	.....	2,344
.....	.....	.....	41	.....	3,675	.....	215,632	.....	3,866
.....	.....	55	.....	7,901	.....	32,068	.....	7,355	.....
.....	.....	1	.....	50	.....	70,616	.....	11,458	.....
‡1,540	.....	62	.....	3,096	.....	.....	63,847	2,772	.....
.....	.....	11	.....	1,767	.....	.....	99,691	.....	12,780
§6,900	.....	.....	.....	.....	.....	.....	72,308	4,404	.....
7,500	.....	5	.....	.....	‖400	.....	47,684	1,535	.....
.....	.....	.....	.....	.....	.....	.....	18,815	.....	799
.....	4,680	.....	.....	.....	.....	86,634	.....	19,720	.....
.....	.....	.....	.....	.....	.....	.....	34,892	.....	804
.....	.....	.....	.....	.....	.....	.....	2,704	.....	491
.....	.....	.....	.....	.....	.....	25,792	.....	15,400	.....
.....	.....	.....	.....	.....	.....	††1,196	.....	2,769	.....
.....	.....	.....	.....	.....	.....	.....	26,156	.....	8,507
.....	.....	.....	.....	.....	.....	.....	3,796	.....	1,562
.....	.....	.....	.....	.....	.....	20,566	.....	735	.....
.....	.....	.....	.....	.....	.....	57,408	.....	9,400	.....
32,840	7,328	519	55	33,089	4,616	823,356	602,131	109,777	31,705
7,328	.....	55	.....	4,616	.....	602,131	.....	31,705	.....
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
25,512	.....	464	.....	28,473	.....	221,225	.....	78,072	.....

¶ Distance corrected by circular.
** Includes $14,850 for the route from Salt Lake City to Bannock City.
†† $2,000 additional allowed for additional stock on the route from Nebraska City to Kearney City.
‡‡ Service increased by additional trips.

Number of letters and newspapers exchanged between the United States and foreign countries during the fiscal year ended June 30, 1864.

Countries.	Number of letters.		Number of newspapers.	
	Received.	Sent.	Received.	Sent.
Great Britain	1,808,002	1,780,443	867,426	1,438,223
France	567,876	618,431	91,415	250,427
Prussia	383,071	382,187	27,863	102,896
Belgium	24,468	21,532	11,472	4,158
Hamburg	163,709	284,940	15,359	256,413
Bremen	175,413	228,036	15,811	195,161
West Indies	247,310	230,633	45,099	123,462
South Pacific	56,125	52,254	14,281	87,101
Total	3,425,974	3,598,456	1,088,726	2,457,841

Total number of letters 7,024,430
Total number of newspapers 3,546,567

Statement of the operations of the free delivery letter-carrier system at the following offices for the fiscal year ending June 30, 1864.

Names of offices.	No. of letters delivered.	Papers delivered.	Paid for delivery.	Average cost per letter.
				Cts. ms. frac.
New York	8,823,628	1,336,225	$108,146 32	1 0 64
Philadelphia	6,407,328	543,879	82,014 63	1 1 798
Baltimore	1,462,146	16,049	16,768 00	1 1 34
Boston*	1,240,961	60,861	25,919 28	1 1 90
Washington, D. C	1,087,516	144,167	9,945 70	0 8 007

*Returns incomplete.

Annual statement of dead letters containing papers of value other than money registered and sent out for delivery to the writers or owners thereof during the fiscal year ending on the 30th day of June, 1864.

	Number.	Amount.
Number of letters sent out	12,436	
Number of letters delivered	11,378	$1,615,694 75
Number of letters unclaimed	883	147,054 54
Number of letters outstanding	175	6,683 19
Contents of letters sent out.		
Bills of exchange, drafts, and letters of credit; bonds and notes of hand; checks, orders, and treasury warrants; certificates of deposit, &c		1,769,432 48
Deeds, mortgages, land titles, &c	942	
Powers of attorney, contracts, articles of agreement, &c	374	
Certificates of stock, land warrants, patents, and pension papers	251	
Miscellaneous papers	1,296	

Statement of letters containing miscellaneous articles received during the year ending June 30, 1864.

Number of letters and packages received	45,380	
Number sent out		29,999
Number delivered		18,213
Number unclaimed		8,325
Number outstanding		3,461
Contents of letters and packages sent out.		
Number of packages of jewelry		1,410
Number of miscellaneous articles		1,982
Number of photographs and daguerreotypes		26,607
Reasons assigned why not previously delivered.		
Held for postage		1,216
Misdirected and insufficient address		3,415
Missent		2,916
Mails suspended		104
Refused		180
Not called for; not found; not known		22,168

Amount of postage due the department from 18,213 letters and packages delivered, $1,944 24.

REPORT

OF

THE SECRETARY OF THE NAVY.

NAVY DEPARTMENT, *December 5*, 1864.

SIR: In submitting the annual report of the transactions of this department and of the navy, with those of the several bureaus for the year, it affords me pleasure to assure you that the condition of affairs is satisfactory, and that the discipline and efficiency of the service continue to be faithfully maintained. After many years of peace and comparative inactivity, the officers and sailors of our navy were suddenly called to the performance of extraordinary and exacting duties, and during nearly four years of exhausting civil war they have manifested their attachment to the Union and their fidelity to the national flag by rigidly enforcing a gigantic blockade of our coast, by vigilantly patrolling the great national rivers of the interior, and by a succession of ocean and coast-wise expeditions, achievements which have not only added to our naval renown but greatly promoted our national integrity and strength.

When the change of administration took place in March, 1861, the war had already been virtually begun—the forts, and arsenals, and custom-houses, and mints, and navy yards, and national property within the rebel States had been seized without resistance. The retiring administration manifested its inability to assert the national authority, and its disinclination to vindicate the national supremacy, and closed its term, and that of the thirty-sixth Congress, without any preparatory measures for the tremendous convulsion which was even then shaking the Union to its centre and threatening our existence as a nation.

In six weeks after I had entered upon the administration of this department, a blockade, extending over more than three thousand five hundred miles of our coast, was ordered; and for this stupendous work, pronounced to be impracticable by the highest foreign authorities, we had a feeble navy, reduced to the lowest peace establishment, composed largely of sailing vessels, most of which were dismantled or dispersed abroad. Of the limited number of seamen authorized by law, only about two hundred were available at all our naval stations and receiving ships. Many of the officers became demoralized and deserted. In this enfeebled condition, without men, or ships, or ordnance, or resources placed at its disposal, the department was called upon to establish and enforce the most extensive blockade that was ever undertaken to be effectually maintained by any nation.

To make available every naval vessel, to recall our foreign squadrons, to increase our force by building new vessels, and by procuring for naval purposes, from the merchant service, every steamer which could be made a fighting vessel, to enlarge at once the capacity of the navy yards, to put in requisition the foundries and workshops of the country for supplies of ordnance and steam machinery, to augment the number of seamen, and to supply the deficiency of officers by selecting experienced and able shipmasters and others from the commercial marine, were among the important and responsible duties which were precipitated upon the department at that exciting and interesting period.

The measures promptly and energetically adopted caused an immense navy to spring into existence, not to carry on a maritime war, for the rebels had no navy to stimulate our sailors to glorious deeds, nor commerce to reward their activity; but men, and ships, and ordnance, and supplies were speedily collected for the onerous naval duties needful to sustain our national unity and preserve our national rights.

Besides instituting the extensive blockade of the coast, naval expeditions were organized at the earliest possible period to assert and restore the national authority at important points within the insurrectionary region. The first of these expeditions was organized and sailed from Hampton Roads in August, under the command of Rear-Admiral Stringham, and resulted in the capture of Hatteras, and was the first re-conquest of a strong position which was effected on our coast. This was followed a few weeks later by the victory of Rear-Admiral DuPont at Port Royal, which secured a commodious harbor for the ships of the South Atlantic squadron. The achievements on the lower Mississippi, where Rear-Admiral Farragut dashed open the gates of the passage to New Orleans, and restored to the Union the commercial metropolis of the south, were accomplished the following spring. Those three important expeditions, comprising, in each case, a larger fleet than had ever been fitted out on this continent, and two of them seldom surpassed in naval annals, were planned, organized, and carried into execution in the first year of the war, in addition to an immense blockade, which was at the same time so vigilantly and rigorously enforced that the rebels even then felt and complained of its exhausting severity. Other harbors and places have from time to time been seized and occupied, the last being the bay of Mobile and the fortifications at its entrance, effected by the same distinguished officer who had thrown open the lower Mississippi to uninterrupted navigation two years before. Nor have the prowess and skill of our navy in this unhappy contest, involving the integrity of the Union and our national supremacy, been felt upon the seaboard alone. On our inland waters, at Fort Henry, at Donelson, at Shiloh, at Island No. 10, at Memphis, at Arkansas Post, at Vicksburg, at Port Hudson, and at almost every important place on the Mississippi, the Cumberland, the Tennessee and other rivers of the southwest, the navy has been active in re-establishing the national authority. A fleet of more than one hundred vessels has been put afloat on those waters, and most of them are now patrolling those rivers in the national cause

It has been the policy of this department, rigidly adhered to under all circumstances, and from which it has not allowed itself to be diverted, never to permit the efficiency of the blockade to be impaired during these domestic troubles. Hence no large squadrons have been maintained on foreign stations. Cruisers and men-of-war have been sent out or ordered to important points to protect American interests, and capture or destroy the few predatory rovers which from time to time have ventured abroad to depredate on our commerce.

THE BLOCKADE.

The blockade of a coast line of three thousand five hundred and forty-nine miles in length, greater in extent than the whole coast of Europe from Cape Trafalgar to Cape North, is an undertaking without precedent in history. During our last war with Great Britain, when that power had eight hundred naval vessels in commission, not a single port of the United States was thoroughly closed. The most serious attempts of the great maritime powers have consisted in endeavors to interdict trade at a few of the principal ports of a belligerent. Immediately after closing the ports of the States in rebellion, and giving that act the character of a blockade, the efforts of this department were directed towards securing several harbors at comparatively equidistant points, as bases of operations for the several squadrons, where our naval vessels could receive their supplies and maintain themselves at their stations and on their cruising ground, without returning to northern ports for repairs and refitments. To have done this would not only have endangered the efficiency, but in some instances might have involved an abandonment of the blockade. To this end there were set on foot various coast expeditions which have resulted in our taking possession of or closing all the ports excepting Wilmington. From various causes, Cape Fear river is more difficult to blockade than any port on the coast of the United States. The two main entrances are forty miles apart, and these two are subdivided into several others, each of which affords an entrance to vessels. The water shoals gradually and regularly to the shore-line, and numerous isolated batteries are erected along the coast, so that a blockade runner of light draught is not under the necessity of making directly for the entrance, but can, by the lead, run close under the land protected by the batteries, and pass in over the bar at leisure. When coming out, a steamer will select her own time, thus securing every advantage, and she can pass either up or down the coast before making an offing, or she may proceed straight out to sea, trusting for her escape to the night and favoring darkness and mists, and the fact that she is under full speed, whilst the steamers blockading must have low steam.

Almost every vessel employed in violating the blockade has been constructed in England with great skill, regardless of cost, and with sole reference to engaging in this illicit trade, the profits of which are almost as remunerative as those attending the slave trade, a kindred traffic, that all christendom discountenances, and the most powerful maritime nations have combined in vain to suppress; yet the slave trade is carried on within limits which measure but a fraction of our extended blockade. The cupidity of English merchants, aided

by their vast resources, together with the advantages derived from those triangular depots of blockade runners and of rebel supplies—the ports of Halifax, Bermuda and Nassau, ports which will always be in sympathy with the enemies of this country—has induced them to engage in this trade. The illicit traffic with the rebels, who are making war upon our government, belongs to that code of commerical morals which prompted the smuggling of opium into China, and the rule of those who engage in it is to trade, legally or illegally. If it be illegal, it is the business of the Chinese and Americans, not of Englishmen, to prevent it.

Many who have failed to make themselves acquainted with the facts connected with the Wilmington blockade have been free and severe in their censures of the manner in which it has been conducted. The intelligent officers of the naval and merchant service who have labored with untiring zeal and assiduity, and watched with sleepless vigilance through weary months of winter and summer, and in all weathers, stimulated by the hope of benefiting their country and receiving its thanks, as well as by every inducement to fame and pecuniary reward, if successful, do not concur in the opinion that the port of Wilmington can be entirely closed by blockade.

Convinced, as this department always has been, that it is necessary to take possession of the entrances, so as to permit our armed vessels of light draught to go inside, no opportunity has been omitted to impress the necessity of joint naval and military operations for that purpose. The navy has been at all times ready to perform its part in such an expedition; but the army has not yet been able to unite in a conjoint movement. Neither branch of the service can expect to be successful in an attack upon this position independent of the other. Were there deep water at Wilmington, as at New Orleans, Mobile, and Port Royal, either of those operations could have been repeated at that point, but by reason of the shoalness of the water, an exclusively naval operation cannot be relied upon to be successful.

WESTERN GULF SQUADRON.

An object earnestly cherished by the navy, but which had been delayed for army co-operation, was the possession of the bay of Mobile. In anticipation that this would receive early attention, Rear-Admiral Farragut rejoined his squadron in January, but the operation was still further postponed for military demonstrations in Texas and on Red river.

Commodore Bell, who had been left in charge, actively co-operated with the army in its movements for the occupation of certain points in Texas.

The possession and occupation of Brownsville, briefly mentioned in my last report, was followed by a like movement at Brazos, Aransas, and Cabello passes, in all of which the naval forces detailed by Commodore Bell, and placed under command of Commander J H. Strong, afforded all required assistance.

Prior to the occupation of the left bank of the Rio Grande, the mouth of that river had been made the rendezvous of vessels of various nationalities engaged in violating, indirectly, the blockade; the demoralized condition of Mexico, and the mutual rights of the two countries on the river and at its entrance, affording

unusual facilities to the illicit traders. Commander Strong reported some sixty vessels anchored in the Mexican waters of the Rio Grande, carrying on an extensive trade, chiefly in cotton, with the rebels through Matamoras, which had thus suddenly become a great commercial mart. This traffic, which had been prosecuted with success, in consequence of our inability, under treaty stipulations, to completely blockade the Rio Grande, was effectually stopped by the occupation of Brownsville, which was followed by the President's proclamation of February 18, 1864, relaxing, conditionally, the blockade of that port.

But this possession of the several ports of Texas was of short duration. After a few months' occupation the military forces were withdrawn, and the duty of guarding that extensive coast was thus again devolved exclusively upon the navy. Under orders, of August 18, to Rear-Admiral Farragut, the blockade was resumed on the 9th of September, and has been since maintained.

The bay of Mobile, guarded at its entrance by two imposing fortifications, constructed by the federal government in former years, was difficult to blockade, and was one of the principal ports for illicit trade with the rebels. It had been the steady purpose of this department to get possession of that bay as soon as operations on the Mississippi would permit the detachment of a sufficient co-operating military force for the expedition. But repeated co-operative movements having this purpose in view were commenced, and then abandoned for army operations elsewhere. In the mean time the rebels, availing themselves of this delay and of the advantages of this position, proceeded to the collection and construction of a formidable navy, with a view of raising the blockade.

The information received was of such a character that the department deemed it important that Rear-Admiral Farragut should resume his command, which he did, and on the 18th of January arrived off Mobile. It was no part of the plans or intentions of that officer or of the department to await the offensive movements of the rebel commander. To attack, not to defend, was his policy; and it was with some impatience that he awaited the means to justify him in putting that policy into successful operation. Knowing the disadvantage of attacking iron-cased vessels with wooden ones, and that, too, in the face and under the guns of heavy fortresses without a co-operating land force, he deferred the movement until the necessary elements of success could reach him. But in the mean time he stood ever ready to meet and measure his strength with the iron-clad fleet of Buchanan, should it venture to come out. Thus he constantly threatened an attack on Mobile, thereby aiding the army in its general movements elsewhere.

Military co-operation was secured in the early part of August, and two iron-clads from James river, and two from the Mississippi having reached him, Rear-Admiral Farragut, at 5.40 o'clock on the morning of the 5th of August, got his fleet under way and entered Mobile bay, passing between Forts Morgan and Gaines. Silencing their guns as he passed, he encountered the rebel squadron, which by 10 o'clock was dispersed, captured, or destroyed. This engagement, in many respects one of the most remarkable on record, and which added new lustre even to the renown of Rear-Admiral Farragut, was not without serious

loss on the part of his fleet. The most serious of these was the destruction of the iron-clad Tecumseh, one of his most formidable vessels, by a torpedo, early in the action, and the loss of her gallant commander, T. A. M. Craven, and nearly all of her brave officers and crew. It was from the Tecumseh that the first shot, was fired at Fort Morgan. The total casualties, not including those of the Tecumseh, were fifty-two killed, and one hundred and seventy wounded.

After the capture of one of the rebel gunboats by the Metacomet, and the retreat of two others under the guns of Fort Morgan, the iron-clad ram Tennessee, bearing the flag of the rebel Admiral Buchanan, maintained the contest. For a while the action was fierce and sanguinary. The wooden ships defiantly encountered the Tennessee, although her armor was impervious to their guns, while our iron-clads grappled fiercely with their formidable antagonist. The Manhattan, with one of her XV-inch shot broke through the armor of the Tennessee, and a monitor shot also disabled the steering gear, and thus rendered her helpless. At 10 o'clock she surrendered. Twenty officers and about one hundred and seventy men were captured in this vessel, and ninety officers and men in the Selma. The capture of these two vessels, and the retreat of the two remaining rebel gunboats under the guns of Fort Morgan, terminated the glorious battle of the 5th of August.

On the following day one of the iron-clads shelled Fort Gaines with such effect that Colonel Anderson, the commander, sent a communication to Rear-Admiral Farragut offering to surrender. General Granger, commanding the United States military forces was sent for, and the terms of capitulation were signed by the respective parties on board of the Hartford.

From this time onward movements were in progress for capturing Fort Morgan, and on the 22d of August, at day dawn, a bombardment was opened from the shore batteries, the monitors and ships inside, and the vessels outside the bay. At 6 a. m. of the 23d a white flag was displayed by the rebels, and at 2 o'clock p. m. the fort was unconditionally surrendered to the navy and army of the United States. A naval shore battery did good service on this occasion.

Fort Powell had been already attacked on the night of the 5th and blown up, the guns falling into our hands.

The capture of Forts Powell, Gaines, and Morgan, and the destruction of the rebel fleet, gave us possession of the bay, and closed the port to all ingress or egress of blockade runners. This was all that was contemplated. Possession of the city of Mobile could not make the blockade more effectual, and without a sufficient co-operating land force, which could not then be spared to take and hold the place, further demonstration was not advisable.

To obstruct naval operations, the bay had been strewn with torpedoes, and as late as the 13th of September Rear-Admiral Farragut wrote the department that he was still engaged in removing them. One hundred it was reported had been placed in the bay by the rebels.

EAST GULF SQUADRON.

The limits of the Eastern Gulf squadron have been extended so as to embrace within its cruising grounds the waters of the Bahamas and the vicinity of Cuba.

On the 7th of August Acting Rear-Admiral Bailey, whose health was suffering from the debilitating influence of the climate, turned over the command of the squadron, by permission of the department, to Captain Theodore P. Greene, the officer next in rank, and came north. Captain Greene continued in command until the 12th of October, when he was relieved by Acting Rear-Admiral C. K. Stribling.

Notwithstanding the sanitary precautions adopted for the health of this squadron, many of the vessels failed to escape the infection of the yellow fever, so much and so justly dreaded, and had to seek a northern climate during the summer. The system of promptly ordering vessels to a healthier locality the moment they became infected has been in its effects salutary, the ravages of the disease have thereby been checked, and the ship's complement soon restored to the usual standard of health.

Although the squadron was temporarily reduced by these withdrawals, no serious interruption took place in the disposition of the blockade, which has continued to be effective. Less frequent captures, and other indications, demonstrate that the traffic and communication with the Florida coast has pretty much ceased.

The monotony of blockade life has, in repeated instances, been broken by boat expeditions and armed incursions for the destruction of salt manufactories, which abound on the Florida shore, many of which are the public property of the insurgents. These expeditions, although apparently unimportant when compared with the great naval achievements which have given renown to our sailors in neighboring waters, have nevertheless inflicted serious injury upon the rebels, by exhausting their resources, and have developed the zeal and energy of our officers and seamen. A number of such expeditions have been organized during the year, and conducted to a successful issue with little loss of life, and without relaxing or neglecting the special and paramount service of the blockade.

In May an expedition was planned by the rebels for capturing or destroying one of our blockading steamers off Appalachicola. The organization consisted of some hundred men led by rebel naval officers. Information of the proposed movement was timely received, and a joint naval and military force was despatched against the party and succeeded in capturing some of them, with six of their seven boats, their ammunition, flags, and accompaniments. Detailed reports of this affair, as well as of others, which are creditable to the officers and men engaged in them, form a part of the appendix to this report.

SOUTH ATLANTIC SQUADRON.

The coast under blockade by the South Atlantic squadron is about three hundred miles in extent, and a considerable portion of it is a network of inlets

and sounds. Within the limits of this command are two of the chief seaports of the insurgents—Charleston and Savannah—cities of wealth and marts of commerce in other days, but the war which they commenced, and which they still continue to wage against the Union, has caused each of them to be sealed up, and has destroyed their wealth and prosperity.

The craving for commerce and luxuries at Charleston, which the rebellion has not extinguished, with the increasing hazards of running the blockade at Wilmington, have prompted some reckless adventurers to expose their fortunes in efforts to elude the squadron of Admiral Dahlgren. Several valuable steamers having been lost in these attempts, the efforts were for a time almost entirely discontinued.

Charleston and Savannah, besides being among the best defended points on the Atlantic coast, possess advantages for a navy, on which the insurgent leaders felt much reliance in the early days of the rebellion. There they have had armored vessels, and rams, and torpedo-boats, or "Davids" and "Divers," elements with which they threatened to achieve success over the open warfare of the naval forces of the Union. Charleston, disaffected without cause, and aspiring without enterprise, having, after long and persistent efforts, succeeded in seducing others to engage with her in assailing the national government, and attempting a dismemberment of the Union, fails to become either a naval or commercial emporium. She has dragged down others without elevating herself, and is fast becoming a waste.

No formidable independent operations, in the form of naval conflicts, have been made by the squadron during the year. A steady, unrelenting blockade has been rigidly enforced, with no attractive and exciting incidents, but which has been effective and exhausting upon the rebels.

In February a detachment of vessels was sent to the St. John's river to aid a military force intended to be thrown into Florida. Rear-Admiral Dahlgren accompanied the expedition in person, saw the proper co-operative arrangements made, and assigned an adequate naval force, which is holding possession of all points on the St. John's occupied by our army. In March a diversion was made at Bull's bay. In May a force was detailed to co-operate in an effort to sever the railroad between Charleston and Savannah. A detachment of ironclads crossed Stono bar in July to assist General Foster in a demonstration upon the rebel works on Stono river and James's island. Rear-Admiral Dahlgren conducted the naval force in person. In these and other military movements the navy has been always active and ready to extend cordial co-operation to every army operation.

In February permission was given to Rear-Admiral Dahlgren to leave his squadron in command of Commodore S. C. Rowan. On resuming his duties in May, he found that General Gillmore had been called, with the greater part of his army, to another field, leaving behind, however, a sufficient defensive force when sustained by the navy. The withdrawal of so large a portion of the military force necessarily put a stop to further serious demonstration against Charleston.

The retention of the harbor, as well as the entire safety of that coast, depended thenceforward mainly on the iron-clads. They were indispensable for the continued possession of Morris island and by our troops, and they could not have been withdrawn without putting in jeopardy the blockading fleet which, as well as the land force, would have been assailed by the armored rebel vessels. The capability of the monitors to hold position off Morris island had been controverted by the former intelligent commander of the squadron, who denied its practicability, and had deemed it his duty in June, 1863, to enter a protest against it. His representations, with those of the officers then in command of the iron-clads, that those vessels could not remain off the harbor, nor near that point than North Edisto, with other suggested difficulties, caused the department to consider well its purpose before carrying out the original plan, that the monitors should remain inside the bar and off Morris island, as the only effectual method of entirely closing the port, and making further demonstrations.

The views of the department were sustained by other naval officers of judgment and ability. Younger officers also made a voluntary tender of their services, as well as some of those who had doubted, each offering to take the risks which the great stake justified; while the sailors, always ready for any service or to encounter any hardship, imitated and emulated their example.

The result has been that Rear-Admiral Dahlgren has kept these vessels for seventeen months where it was insisted they could not remain, to the great injury of the original seat of the rebellion. The work has been irksome and laborious, unremunerative, and perhaps not sufficiently appreciated, for it has been quiet and undemonstrative, without those occasional captures which, before taking possession of the harbor, enlivened and rewarded the officers and crews.

Intelligence that the rebels were strengthening Fort Sumter, building bomb-proofs and mounting heavy guns on the channel faces, led Rear-Admiral Dahlgren early in the summer to entertain the thought of attacking that fortification and attempting the passage with his iron-clads. It was a question of great responsibility, for the assault, if made, would draw upon the vessels the concentrated fire of many powerful batteries; he therefore called a council of his officers in command, and after a full discussion, a large majority deemed it, under the circumstances, unadvisable. It was consequently abandoned.

Several creditable incursions have been made at various points within the limits of this command, resulting in the discomfiture of the rebels. Details of these, as of those of the other squadrons, are appended to this report. Occasional assaults have been made upon our vessels off Charleston by torpedo-boats, and in one instance with success, by sinking the steam-sloop-of-war Housatonic, but fortunately with little loss of life.

NORTH ATLANTIC SQUADRON.

The number of vessels and officers and men employed in the North Atlantic squadron exceeds that of any other, and its importance is certainly not less. In

addition to blockading the only remaining port of commercial intercourse in the rebel States, on this squadron has devolved the duty of guarding and holding possession of the great inland waters of North Carolina and Virginia, and an extensive co-operation with the armies which are threatening Richmond and its vicinity.

In order to secure the most thorough and efficient discharge of duty that is possible in every department of this squadron, and especially that of the blockade of Wilmington, Acting Rear-Admiral Lee, by direction of the department, established four divisions of the squadron, viz: one on James river, one in the sounds of North Carolina, and two off Cape Fear river and adjacent inlets, each of which was placed under an experienced officer, and Acting Rear-Admiral Lee removed his headquarters in July from Hampton Roads to Beaufort.

For some months previous to May last the rebels had been left in quiet possession of James river for a considerable distance below Richmond, but the progress of the Potomac army towards the rebel capital was the signal for active operations in another quarter. On the 5th of May Major General Butler moved his army from Newport News, under convoy of a naval force which had been assembled for the purpose, up James river, and made the following night a successful landing at Bermuda Hundred and City Point. The movement was quietly performed, and the landing was promptly effected. The absence of a military or naval force on the James river had been improved by the rebels to plant in its bed formidable torpedoes, by which two of the light-draught boats were destroyed.

From the landing of the army of the James in May, a naval force competent to meet the armored vessels and rams of the insurgents, had they made a demonstration, has been maintained on the upper waters of the James. On various occasions sharp but brief engagements have occurred between our vessels and the rebel batteries forming the defence of Richmond.

The naval force had anticipated an encounter with the rebel fleet which had been in the course of preparation for two years, but the military commanders, out of abundant precaution, ordered obstructions to be placed in the channel by sinking vessels for the protection of the large transport fleet that was in attendance upon the army, and which it was apprehended might be disturbed and perhaps endangered in the narrow waters, were a demonstration to be made by all or any portion of the rebel navy. The security of the transports was justly deemed of vital importance to the army, and required to be placed beyond any contingency. Hence this obstruction of the river, in addition to the protection afforded by our iron-clads and other naval vessels, was doubtless a wise military precaution, although it restricted the movements of the navy.

The operations in the sounds of North Carolina have been interesting and important. It had been a cherished idea of the rebel leaders to repossess themselves of the sounds, and to regain the principal places on them, which had been wrested from rebel authority early in the war by the united efforts of the army and navy. Preparations were long in progress for the construction of armored

vessels, and others of light draught, on the Roanoke and Neuse rivers, with intent to descend and drive out from the sounds our fleet of slightly built wooden boats, recapture Plymouth, Newbern, and other points held by our arms, and re-establish rebel power in that quarter. These schemes, though partially successful at the commencement, soon closed in disaster.

Delays in the completion of the armored vessels ordered by the department, and especially intended for service in shallow waters, which were inaccessible to the monitor vessels already built, jeoparded our possession of the sounds. There was also the want of an adequate military force in that quarter.

On the 17th of April the rebels besieged Plymouth, and two days after the rebel ram Albemarle descended the Roanoke river and attacked the wooden gunboats lying off that town. On the 20th the defences were carried, the garrison became prisoners, and the rebels obtained possession of the upper sound. In consequence of army reverses, vigorous measures were immediately taken by this department to prevent further disaster. Captain Melancton Smith, an officer of much naval experience, was sent to the sounds with vessels of heavier armament, and instructed to take command, attack the armored ram at all hazards, and use all means to destroy her. On the 5th of May the ram came out of Roanoke river, and Captain Smith engaged her with his gunboats. The action continued from 4.40 to 7.30 p. m., when darkness intervened, and the Albemarle retreated up the river. Shot fell from her armor apparently without effect, and the efforts to run her down were unsuccessful. Her consort, a small army steamer which had been captured and converted into a naval vessel, was recaptured.

On but one subsequent occasion did the Albemarle make her appearance, and then she quickly retired on being fired at. As there was no known cause to prevent her making another demonstration, a competent naval force was always in readiness to meet her. But the inactivity of awaiting her movements was irksome and paralyzing, and her destruction by other means became an object.

Lieutenant W. B. Cushing, a young officer who had on previous occasions gained the admiration of the department by his daring and adventurous heroism, was selected to destroy the Albemarle by a torpedo, properly arranged in a light picket-boat, to be placed at his disposal. The torpedo is the invention of Chief Engineer W. W. Wood, and possesses extraordinary power. It was arranged and applied to the picket boat at the suggestion and under the direction of Rear-Admiral F. H. Gregory and his able assistants. Lieutenant Cushing was directed to have the means for carrying out the views of the department prepared, and when these were completed it was quickly and brilliantly executed. With fourteen brave officers and men, who volunteered for the service, he, on the night of October 27, ascended the Roanoke to Plymouth, assailed the ram at her wharf, though guarded by a military force on shore, as well as by her crew, and sunk her. Only himself and one of his party escaped death or capture.

This daring and successful exploit removed the reliable defence of Plymouth. Commander Macomb, senior officer in the sounds, promptly availed himself of

the advantages of Lieutenant Cushing's achievement. With the naval force at his command he pressed on to Plymouth, drove the rebels from their rifle-pits and batteries, and on the 31st of October took possession of the place, capturing a few prisoners, thirty-two cannon, small arms and ammunition, thus re-establishing the Union supremacy in the sounds of North Carolina.

From July, 1863, when the rebels were driven from Morris island by the combined forces of Rear-Admiral Dahlgren and Major General Gillmore, and the navy thereby gained command of the entrance to, and possession of, Charleston harbor, so that monitor vessels could remain inside, blockade running ceased almost entirely in that quarter, and was transferred to, and vigorously prosecuted at, Wilmington.

This locality possesses singular natural advantages to resist a blockade, to which the rebels have added others in the way of earthworks, with powerful guns, to cover the blockade runners, and to open on our vessels whenever they come within range. These shore batteries were made to command the several channels and the numerous inlets in that quarter.

The difficulties of closing this port entirely, while rebel forts command the channels, and which none of our ships with heavy broadside batteries can approach, by reason of the extreme shallowness of the water, can be rightly appreciated by those only who are familiar with the locality, and have had experience on that station. Without a co-operating land force, it is not expected that we could close the port of Wilmington. There has been no time within the last two years when the navy has not been ready and anxious to perform tits part in such an expedition, for possession of the entrances to Cape Fea river is a necessity to stop entirely all ingress to or egress from that place. Running the blockade at that point has been made a matter of business by foreign capitalists, as well as by the rebels. Such has been and is the stringency of the blockade, that articles of commerce command fabulous prices throughout the whole insurrectionary region, thereby stimulating the cupidity of reckless neutrals. But while a successful trip begets large profits, the blockade has not been violated with impunity. Heavy losses have befallen most of those who have been engaged in the illicit trade. Sixty-five steamers, the aggregate value of which, with their cargoes, will scarcely fall short of thirteen millions of dollars, have been captured or destroyed in endeavoring to enter or escape from Wilmington. Over fifty such results have occurred since Rear-Admiral Dahlgren anchored his monitor fleet inside of Charleston bar and closed that port to commerce.

Some idea of the difficulty of closing the main entrances to Cape Fear river, which are nearly forty miles apart, can be formed when it is considered that with fifty of our steamers, some of them the fastest in the service, stationed and distributed by naval officers of intelligence and experience, off those entrances, blockade runners, watching their opportunity, and availing themselves of dark nights, good pilots and extraordinary speed, succeed in getting into and out of Wilmington.

Acting Rear-Admiral S. P. Lee, who for two years has been in command of this squadron, discharging his arduous duties with intelligence and fidelity, was relieved by Rear-Admiral Porter, who took command of the North Atlantic squadron on the 12th of October.

MISSISSIPPI SQUADRON.

The events of the year have furnished additional proof of the wisdom of the policy which dictated the organization of a powerful and efficient squadron on the rivers of the interior. Its usefulness has been demonstrated on many occasions and in various ways. Whether in convoying transports laden with soldiers or supplies destined for the army, or merchandise and produce of the people; in assisting in repelling attacks upon weak military posts; in rendering more safe the navigation of the streams to commerce and travel; in independent naval expeditions, or in co-operating in extensive military movements, its importance has been manifested.

To obtain possession of the Mississippi, and constantly patrol that great stream from Cairo to New Orleans, is in itself a work of vast magnitude. By it the rebel combinations have been broken, and their organization severed, as it were, by an impassable gulf. The Ohio, Tennessee, and Cumberland rivers have likewise been patrolled. Thus loyal citizens in their vicinity have been protected, refuge has been afforded to those escaping from anarchy and oppression, and partisan bands have been dispersed.

To insure a systematic and vigorous execution of the duties devolving on the squadron, the waters traversed by it have been divided into ten naval districts, each under the command of an experienced officer. While the vessels in each district have their appropriate field of duty, they are held ready to support each other when occasion requires, and can be readily concentrated when an emergency demands it.

The squadron is composed, to a great extent, of boats that had been employed in the carrying trade, but which have been purchased, strengthened, and fitted for war purposes. They are necessarily inferior to naval built vessels in strength; they are lightly armed, and consequently more liable to disaster. But their cost is greatly inferior to that of iron-clad vessels, or those of heavy structure for ocean service. The most extensive operations of the Mississippi squadron during the year have been in connexion with the military expedition on the Red river, which, with the attending incidents, form an interesting page in the annals of the war. The failure of this conjoint expedition to accomplish the important results desired and anticipated are attributable to causes beyond human control, and to the want of success on the part of the military arm of the service. So far as the navy was concerned, the expedition was chiefly one of co-operation with the army. It possessed, however, within itself the elements of success under ordinary circumstances, and had not natural obstacles intervened its history might have been not less brilliant than the record of other achievements of this squadron.

On the 7th of March Rear-Admiral Porter had assembled at the mouth of Red river a formidable fleet of iron-clad vessels and of light-draught wooden boats for co-operation with the army, and was there joined by a portion of Major General Sherman's force in transports, under the command of General A. J. Smith.

The joint forces moved up the river on the 12th of March to form a junction with Major General Banks at Alexandria. In their progress some of the vessels branched off into the Atchafalaya, while the main portion continued up Red river. The rebels were driven in turn from Simmsport and Fort DeRussy, the latter falling again into our possession, with its guns and munitions of war and a few prisoners. Some of the fleetest vessels were despatched to Alexandria with the hope of cutting off the rebels in their retreat, but without success. That place was occupied by our forces, and about the first of April both army and navy commenced to move up the river towards Shreveport. A part only of the naval force could proceed further up the river than Alexandria, and it was with difficulty they reached that point. But the assistance of the gunboats was so essential to success, that some risks had to be taken, and extraordinary exertions were made to pass the vessels over the falls so as to give the required co-operation. Main force had to be used to haul the gunboats. But Grand Ecore was reached without accident, and occupied without opposition. There were at this time indications of the usual rise of the season in the river, and everything promised success. Twenty-three heavy guns had been captured from the rebels since the entry into that river. Springfield landing was designated as the point for the next junction of the co-operating forces, and it was reached at the appointed time, three days after leaving Ecore, by six gunboats and twenty heavy transports. Here they learned that the army under General Banks had met a reverse, and was falling back to Pleasant Hill, some distance below. Rear-Admiral Porter was therefore compelled to turn back, with the full knowledge that in retracing his steps he would be interrupted at every assailable point. The rebels, flushed with their success against the army, availed themselves of every opportunity which offered for harassing the gunboats and transports.

Their cavalry and artillery, taking advantage of the winding stream, moved rapidly from point to point, attacking on every available occasion. But the gunboats successfully fought their way, and from time to time repelled their assailants with terrible slaughter.

On the 14th of April Rear-Admiral Porter got back to Grand Ecore, where he found the vessels which he had left at that point still detained above the bar. The river, instead of rising as customary at this season, had fallen during his absence. The army was preparing to move back upon Alexandria; the water having so receded there was little hope of getting the vessels out, and destruction apparently awaited the best portion of the squadron. But, in the words of the admiral, "Providence provided a man for the occasion." Lieutenant Colonel Joseph Bailey, acting engineer of the 19th army corps, an intelligent and efficient officer, devised a plan for the construction of a series of dams across the rocks at the falls; thus by artificial means to supply that which nature with-

held—a sufficient depth of water for the passage of the vessels. Extraordinary as was the project, and received with incredulity, the mind that conceived it was enabled to carry it into successful execution. Men were set to work; wood-cutters collected; quarries opened; and, after some weeks, the undertaking was accomplished. The dams were built, the vessels passed safely over the falls to the delight of the assembled army and navy who had mutually participated in the work, and on the 16th of May Rear-Admiral Porter had the satisfaction of announcing that the fleet was relieved from danger. There is probably in naval history no other instance of such peril and difficulty so successfully and skilfully surmounted.

Congress very appropriately acknowledged the meritorious services of Lieutenant Colonel Bailey on this occasion, and they have been still further recognized by his promotion.

Interesting details of this and minor expeditions on the Washita, Arkansas, Black, and Yazoo rivers, will be found in the official appendix to this report.

Rear-Admiral Porter, having been for nearly two years on arduous and exhausting duty in this command, received leave to return east in the summer, and was subsequently detached in order to take command of the North Atlantic squadron. Captain A. M. Pennock, senior officer on the station, was left in charge. On the 1st of November Acting Rear-Admiral S. P. Lee assumed command of the Mississippi squadron, and entered on the discharge of his duties.

POTOMAC FLOTILLA.

The limits of the Potomac flotilla embrace also the waters of the Rappahannock, and at present and during the year have been under the command of Commander Foxhall A. Parker. Upon the flotilla has devolved the duty of arresting the contraband trade attempted to be carried on across the Potomac from Virginia with the lower counties of Maryland, and extending from Alexandria to Chesapeake bay, including the bay itself. It has also been necessary to patrol and guard the Rappahannock. The small craft, which are the vehicles of this traffic, and adapted to it, are well calculated to elude detection. Those engaged in it are reckless, unscrupulous, and unprincipled, so that on no station are greater vigilance and more unceasing watchfulness required than on the part of the officers and men of the flotilla. It is scarcely possible to wholly prevent this species of illicit traffic and blockade running. With so long a line of communication to be patrolled, opportunities will sometimes be found by the contrabandists, who are ever on the watch, and who are aided by sympathizing associates on either shore, to elude detection and capture. Numbers have, however, been captured during the year while in transit; others have been ferreted out and their boats have been destroyed.

At all times and on all occasions the flotilla has given its active and willing co-operation to the military movements. While the army was in the vicinity of Fredericksburg last spring and summer, the services of the smaller steamers on the Rappahannock were efficient and invaluable. They opened communication with the military forces; cleared large numbers of torpedoes from the river;

drove the rebels from its banks; convoyed transports with troops and supplies going to the army, and returning with the wounded and sick from the battle-field. The vessels which are employed in this service are of light draught, and their construction is necessarily slight, consequently those who serve on board of them in a hostile country are exposed to more than ordinary peril. But whether in clearing the banks of the Rappahannock of sharpshooters, or removing from its bed dangerous torpedoes, no less daring and energy have been exhibited than by others in vessels of larger proportions and with greater protection.

PACIFIC SQUADRON.

There has been no material change in the strength of this squadron within the past year. The new steamer Wateree joined it, and orders have been given detaching the Narragansett and ordering her to the Atlantic States.

Acting Rear-Admiral Charles H. Bell, having had command of the squadron for three years, has been recently relieved by Acting Rear-Admiral George F. Pearson; the transfer took place at Panama on the 25th of October.

No hostile craft has made its appearance in the Pacific, and our commerce has been carried on in its usual channels without interruption, other than that necessarily caused by the measures of foreign powers in an attitude of hostility towards each other.

The blockade of Mexican ports on the Pacific by the French fleet rendered it important for Acting Rear-Admiral Bell to remain several months in that quarter with his flag-ship, in order to look after the interests of the United States. An exception in favor of the steamers of the Pacific Mail Steamship Company, made in the declaration of blockade, gave them the continued use of the harbor of Acapulco as an intermediate depot, and the presence of the flag-ship, or some other one of the vessels at that port, has aided in giving protection to the property of the company against the acts of lawless persons, and inspired those on board the steamers with a feeling of security from assaults of insurgent cruisers from seaward.

About the middle of April Acting Rear-Admiral Bell proceeded from Acapulco to Panama, and thence to Callao, at which port he arrived on the 25th of May, 1864.

Difficulties had arisen between Peru and Spain, which resulted in the seizure, by the naval squadron of the latter, of the Chincha islands, and it was essential that our extensive fleet of guano vessels frequenting that quarter should have within reach an armed vessel of their own country to give aid and security in the event of unnecessary interruption of their interests. The threatening attitude of these two powers induced Acting Rear-Admiral Bell to remain with the flag-ship at Callao from May until the 5th of October. The remaining vessels of the squadron have visited the Mexican and Central American ports, and it is not known that they have failed in any respect to respond to all proper appeals of our countrymen for aid and encouragement, or to observe and scrupulously regard the rights of, and courtesies due to, friendly nations.

Rumors or reports of a rebel privateer fitting out at Victoria, Vancouver's island, drew to that quarter the United States steamer Narragansett from San Francisco. The probability of such a scheme being carried into effect was ascertained to be not greater than that which had but a short time previously drawn the United States steamer Saginaw to that locality. After cruising, therefore, a short time in the Straits of Fuca and Puget's sound, and receiving the friendly assurances of her Britanic majesty's authorities that every effort would be made to discountenance and arrest any proposed violation of neutrality, the Narragansett returned to San Francisco.

WEST INDIA SQUADRON.

The West India squadron, as an organization, has been discontinued. Acting Rear-Admiral James L. Lardner, who had command of it at the date of my last annual report, arrived at Hampton Roads, in the Powhatan, on the 3d of October, in pursuance of orders of the department.

The principal objects for which this squadron was created had ceased to be prominent, and the chief duties originally assigned to it have been transferred to the East Gulf squadron. There have been no depredations committed in that quarter during the past year. The vessels of the squadron have, in turn, given safe convoy to the California steamers over the most exposed section of their route. This convoy has been since, when expedient, extended over the entire route, by detailing an armed vessel to accompany each steamer.

PIRATICAL CRUISERS.

The three English-built piratical cruisers which, under the rebel flag, have during the last two years, roamed the seas, robbing and destroying our merchantmen, shunning all armed antagonists, and have found refuge and protection, and too often supplies and other assistance in neutral ports, have terminated their predatory career. Their unrestrained warfare has undoubtedly had the effect of diminishing American tonnage, and caused a transfer of American shipping to English and other flags. Whether the maritime nations of the world will be ultimately benefited by this policy of fostering rebel belligerents may well be doubted. We have been compelled to encounter it as one of the incidents of this extraordinary and unnatural conflict. While notoriously engaged in plunder and in the wanton destruction of our merchant sailing ships, these English-built, and almost exclusively English-manned, rovers have never, during their entire piratical career, and of all of their many captures on various seas, sent in for adjudication and condemnation a single ship or cargo. The less bulky and more valuable portions of their robberies were taken on board the corsairs to be sold or covertly transferred in neutral ports, while the stolen chronometers and a few mementoes were retained as memorials of their achievements. All else was destroyed.

The Alabama, eluding our naval vessels at the Cape of Good Hope and Straits of Sunda, after committing sundry devastations, returned westward and proceeded to the French port of Cherbourg. Information of her arrival was

communicated to Captain Winslow, of the Kearsarge, then at Flushing, who at once proceeded off the harbor, and at 10.20 a. m., on Sunday, June 19, the Alabama was discovered standing out, accompanied by a French iron-clad steamer and the English yacht Deerhound. When the Alabama was descried the Kearsarge was about three miles from the entrance of the harbor, and to avoid any question as to the line of jurisdiction, as well as to draw the Alabama off shore, so that if disabled she could not flee in for protection, the Kearsarge stood to seaward until she had attained the distance of about seven miles from the shore. At 10.50 she came quick about and approached the Alabama, and at 10.57 the Alabama commenced the action with her starboard broadside at one thousand yards range. At 11 the fire was returned by the Kearsarge, and the vessels came fairly into action at about nine hundred yards distance.

Captain Winslow says it was soon apparent that Semmes did not seek close action, and fears were entertained that after some fighting he would make for the shore. To defeat this Captain Winslow determined to keep full steam on, run under the stern of the Alabama and rake; but the Alabama, by sheering and keeping her broadside to the Kearsarge, was forced with a full head of steam into a circular track.

On the seventh rotation the Alabama headed for the shore, disabled and at the mercy of the Kearsarge. A few well-directed shots brought down her flag, a white one was displayed, and the fire of the Kearsarge was reserved. In about two minutes the Alabama again opened fire. The Kearsarge replied, steamed ahead and laid across the bows of the Alabama for raking. The fire of the Kearsarge being again reserved, boats were lowered and an officer in one of them came alongside at 12.10 and surrendered the Alabama, which he said was in a sinking condition, and at 12.24 she went down.

The launch and second cutter of the Kearsarge, the only boats not disabled were sent to receive the officers and crew of the sinking vessel, and Captain Winslow requested the Deerhound, which came alongside, to assist in the rescue. Two pilot-boats were also engaged in picking up the crew. Six officers and sixty-four men were brought on board the Kearsarge. At 3.10 the Kearsarge let go her anchor in seven fathoms water.

The Alabama is reported to have discharged three hundred and seventy or more shot and shell in this engagement, but inflicted no serious damage on the Kearsarge. Thirteen or fourteen took effect in and about the hull, and sixteen or seventeen about the masts and rigging.

The Kearsarge fired one hundred and seventy-three projectiles, of which one alone killed and wounded eighteen of the crew of the Alabama, and disabled one of her guns.

Three persons were wounded on the Kearsarge. The number of killed and wounded on the Alabama is unknown. Seventeen of the wounded, two of them in a dying condition, were brought on board the Kearsarge. One hundred and fifteen officers and men of the Alabama's crew reached the shores of England and France.

The battery of the Kearsarge consisted of seven guns, viz: two XI-inch, one

30-pounder rifle, and four light 32-pounders. That of the Alabama consisted of eight guns—one heavy 68-pounder, of 9,000 pounds weight; one 100-pounder rifle, and six heavy 32-pounders. In the engagement the Alabama fought seven guns and the Kearsarge five.

This has been the only fair and open sea fight which our naval men have been able to secure, as yet, during the war; and it occurred in the English channel, in sight of the two great maritime powers of Europe. In size, armament, and complement of men, the combatants were as near equal perhaps as could have been arranged. Most of the crew of the Alabama were Englishmen, and the gunners admitted to have been picked men of her Majesty's gunnery ship the Excellent.

Some latent remains of pride which belong to the profession, and which animated his earlier and more honorable life while sailing under the American flag, undoubtedly had an influence in inducing the pirate commander to meet a naval antagonist, after his long career of robbery and plunder of unarmed vessels, in the vain hope that it might, if successful, restore to him some portion of the respect he had forfeited, and at the same time relieve him of some of the debasement he has never ceased to feel, even when applauded by those foreign partisans who hated the country he had deserted. But the same dishonor marked his conduct on this occasion as during his whole ignoble career. Before leaving Cherbourg he deposited the chronometers and other trophies of his robberies on shore. When beaten and compelled to surrender, he threw overboard the sword that was no longer his own, and abusing the generous confidence of his brave antagonist he stole away in the English tender, whose owner proved himself, by his conduct, a fit companion for the dishonored and beaten corsair.

Having surrendered, he cannot relieve himself of his obligations as a prisoner of war until he shall be regularly exchanged. He, and each of his surviving officers and crew, whether received upon the Kearsarge or the Deerhound, are, and will be, held to be prisoners of war and amenable to the laws which govern civilized communities. A predatory rover may set the laws of nations, as well as those of his own country, at defiance, but in doing so he must abide the consequences.

The Florida originally sailed from England under the name of Oreto, and under that name she was, on reaching Nassau, brought before the court through the efforts of the American consul, who was satisfied that she was in the rebel interest and intended as a rebel cruiser. The neutral authorities decided in favor of the vessel, which was permitted to proceed. Leaving Nassau she went to Green Cay, where she received on board the armament sent out for her from England, ran into Mobile, changed her name to Florida, and has since, fleeing from all naval vessels, carried on predatory war on American commerce, capturing and destroying unarmed merchantmen, without ever sending in a vessel for adjudication.

In February last, availing herself of a dark night, she escaped from Brest, eluding the Kearsarge, which was off that port. In June she visited the neutral port of St. George's, Bermuda, and remained there nine days, receiving all the coal and supplies necessary for a long piratical cruise. Leaving St. George's on

the 27th of that month, she remained outside, but in sight, for three or fou days, boarding all vessels that approached the island. On the 10th of July she captured the Electric Spark, near our coast, while several vessels were cruising for her, but she escaped, and was next heard from at Teneriffe, on the 4th of August. Subsequently, entering the bay of San Salvador, Brazil, she encountered the steamer Wachusett, commanded by Commander Collins, to whom she surrendered, and by whom she was brought in a leaky and dilapidated condition to Hampton Roads. Here, while at anchor, an army transport came in collision with the shattered vessel, which sunk a few days after near the wreck of the Cumberland.

The Georgia, another English-built naval vessel which cruised under the rebel flag, repaired to Cherbourg in February, and thence proceeded to the Mersey, where she changed owners. Her armament was removed from her and she left Liverpool for Lisbon. On the 15th of August Commodore T. T. Craven, of the Niagara, fell in with her in latitude 39° 16′ north, longitude 9° 39′ west, sailing under the English flag. Commodore Craven took possession of the vessel as a lawful prize, and putting a prize crew on board of her, he sent her to the United States.

The Tallahassee, an English-built blockade runner from Liverpool, which port she left in the early part of the spring under the name of the Atlanta, was engaged in violating the blockade, running between Bermuda and Wilmington. I am not aware that any valid transfer of ownership of this vessel has ever taken place, but am induced to believe she is now, while depredating on our commerce, registered as a British vessel in the custom-house at Liverpool. Whatever may be the fact in that particular, this English-built neutral vessel, which had been previously engaged in the unneutral employment of carrying supplies to the rebels who are waging war upon our government, came out of Wilmington early in August, armed, officered, and manned for predatory warfare, and under the command of J. T. Wood, formerly of our navy, commenced the piratical work of destroying peaceful merchant ships, robbing them of money and other valuables, and retaining as trophies of his heroism the stolen chronometers. Information of the operations of this vessel reached the department on the 12th of August, and orders were immediately sent for all the available vessels within convenient distance to start at once in pursuit. Several vessels proceeded to sea that evening, and within forty-eight hours sixteen vessels from New York, Boston, Philadelphia, Newport, and Hampton Roads were in search of her. But she reached Halifax in safety. Instead of remaining there nine days, getting supplies, as did the Florida at Bermuda, the authorities would permit her to receive only a limited quantity of coals, and she was therefore but a short time in that port. The Pontoosuc arrived in pursuit of her a few hours after her departure. She was at last accounts in Wilmington.

THE NAVAL FORCE.

The subjoined statements present a general exhibit of the navy, including vessels under construction on the 1st of December, 1864, with a comparative statement of the navy in December, 1863 and 1864.

A tabular statement is appended of the number of naval vessels, of every class, that have been constructed, or are in the course of construction, since March 4, 1861.

General exhibit of the navy, including vessels under construction, Dec., 1864.

No. of vessels.	Description.	No. of guns.	No. of tons.
113	Screw steamers especially constructed for naval purposes	1,426	169,231
52	Paddle-wheel steamers especially constructed for naval purposes	524	51,878
71	Iron-clad vessels	275	80,596
149	Screw steamers purchased, captured, &c., fitted for naval purposes	614	60,380
174	Paddle-wheel steamers purchased, captured, &c., fitted for naval purposes	921	78,762
112	Sailing vessels of all classes	850	69,549
671	Total	4,610	510,396

Comparative statement of the navy, December, 1863 *and* 1864.

No. of vessels.	Description.	No. of guns.	No. of tons.
671	Total navy, December, 1864	4,610	510,396
588	Total navy, December, 1863	4,443	467,967
83	Actual increase for the year	167	42,429
26	Total losses by shipwreck, in battle, capture, &c., during the year	146	13,084
109	Actual addition to the navy from December, 1863, to December, 1864	313	55,513

Vessels constructed for the navy since March 4, 1861.

No.	Description.	Guns.	Tonnage
7	Screw sloops, Ammonoosuc class, 17 to 19 guns, 3,213 to 3,713 tons each	121	23,637
1	Screw sloop Idaho, 8 guns and 2,638 tons	8	2,638
8	Screw sloops, spar deck, Java class, 25 guns and 3,177 tons each	200	25,416
2	Screw sloops, spar deck, Hassalo class, 25 guns and 3,365 tons each	50	6,730
10	Screw sloops, clippers, single deck, Contoocook class, 13 guns and 2,348 tons each	130	23,480
4	Screw sloops, Kearsarge class, 8 to 12 guns, and averaging 1,023 tons each	40	4,092
6	Screw sloops, Shenandoah class, 8 to 16 guns and 1,367 to 1,533 tons each	74	8,584
2	Screw sloops, Ossipee class, 10 to 13 guns and 1,240 tons each	23	2,480
8	Screw sloops, Serapis class, 12 guns and 1,380 tons each	96	11,040
4	Screw sloops, Resaca class, 8 guns and 831 to 900 tons each	32	3,462
8	Screw sloops, Nipsic class, 7 to 12 guns and 593 tons each	71	4,744
23	Screw gunboats, Unadilla class, 4 to 7 guns and 507 tons each	123	11,661
9	Screw tugs, Pinta class, 2 guns and 350 tons each	18	3,150

Vessels constructed for the navy since March 4, 1861—Continued

No.	Description.	Guns.	Tonnage
2	Screw tugs, Pilgrim class, 2 guns and 170 tons each	4	340
13	Paddle-wheel steamers, double-enders, Octorara class, 7 to 11 guns and 730 to 955 tons each	98	11,024
26	Paddle-wheel steamers, double-enders, Sassacus class, 10 to 14 guns and 974 tons each	272	25,324
7	Paddle-wheel steamers, of iron, double-enders, Mohongo class, 10 guns and 1,030 tons each	70	7,210
1	Paddle-wheel steamer, of iron, double-ender, Wateree, 12 guns and 974 tons	12	974
141		1,442	175,986
	IRON-CLAD VESSELS.		
2	Sea-going casemated vessels, Dunderberg and New Ironsides	28	8,576
3	Sea-going turret vessels, Puritan, Dictator, and Roanoke	12	9,733
4	Double turret vessels, Kalamazoo class, 4 guns and 3,200 tons each	16	12,800
4	Double turret vessels, Monadnock class, 4 guns and 1,564 tons each	16	6,256
1	Double turret vessel, Onondaga, 4 guns and 1,250 tons	4	1,250
4	Double turret vessels, Winnebago class, 4 guns and 970 tons each	16	3,880
8	Single turret vessels, Canonicus class, 2 guns and 1,034 tons each	16	8,272
9	Single turret vessels, Passaic class, 2 to 4 guns and 844 tons each	21	7,596
20	Single turret vessels, Yazoo class, 1 to 2 guns and 614 tons each	35	12,280
2	Single turret vessels, Sandusky and Marietta, 2 guns each	4	953
3	Single turret vessels, Ozark, Neosho, and Osage, 2 to 7 guns each	13	1,624
2	Casemated vessels, Tuscumbia and Chillicothe, 5 and 3 guns respectively	8	768
62		189	73,988
203	Total	1,631	249,974

The foregoing tabular statement exhibits the number and description of vessels that have been constructed, or put in the course of construction, for the navy since the institution of active measures for the suppression of the rebellion. Some of them have been built by contract; others by the government, in the several navy yards. If we add to the number those constructed under similar circumstances, and within the same period, that have been lost by shipwreck, in battle, &c., viz: the sloops Housatonic and Adirondack, and the ironclads Monitor, Weehauken, Keokuk, Indianola, and Tecumseh, the aggregate would be 210 vessels, 1,675 guns, and 256,755 tons.

Picket-boats, and small craft built for especial purposes, are not embraced in this statement.

CONSTRUCTION OF NAVAL VESSELS.

At the commencement of the rebellion the navy consisted of sailing vessels, a few paddle-wheel steamers, and screw vessels with auxiliary steam-power. Among the latter, the principal and most important were the steam frigates,

which, on account of their great draught of water, were unsuitable for any other purpose than that of cruisers on foreign stations as flag-ships, for which indeed they were intended. These vessels had been built to meet the conditions of their day; some of them, the Mississippi for instance, had been in service more than twenty years. When constructed the principal object in view was armament, not speed, and they were equal, if not superior, to the vessels of other naval powers. For attacks on forts, when accessible to naval attacks, or to protect troops in landing, they can still render service. Time was required to repair and place in proper condition such of these vessels as were dismantled, and also those which were recalled from service abroad. The sailing men-of-war had become useless for fighting purposes. In the emergency that devolved upon it at the beginning of hostilities, the department resorted to the commercial marine, and purchased every available merchant steamer that could advantageously be converted into a naval vessel, and be used to enforce the blockade.

The want of a class of small, heavily armed, propeller vessels was felt, and the department immediately proceeded, on its own responsibility, and without any appropriation or authorization by Congress, to contract for the construction of twenty-three gunboats, of which the Unadilla, Pinola, and Wissahickon, may be taken as the type. Some of these vessels were afloat, armed, and manned within four months from the date of contract, and participated in the attack on Port Royal; others took part on the lower Mississippi in passing the forts and in capturing New Orleans. These gunboats continue to maintain a good reputation, and their steam machinery gives satisfaction. Well adapted as they are for guarding our coast, a larger description was needed for ocean service, and four vessels of the class of the Ossipee, mounting each two guns of eleven inches, were built. There were also four vessels of slightly less tonnage constructed, carrying the same armament, of which the Kearsarge is the type. The Shenandoah is the type of six vessels, mounting each three eleven-inch guns, all of which sustain a high reputation. The heavy guns mentioned constitute the principal armament of the several classes named, but they each have in addition from two to six guns of less calibre. All of these vessels are screw steamers, suitable for sea cruising; but for the shallow sounds and bays, the rivers and bayous, often narrow and tortuous, another and different class, drawing less water, was found to be necessary, and for them competition was invited. To turn in these frequently restricted channels is difficult, and sometimes impossible, and the necessities of the case suggested the principle of a fighting vessel with a double bow and rudder at each end. Twelve paddle-wheel steamers constructed on this principle were built, some in the navy yards and others by contract. The Port Royal and the Sonoma are types of this class. An additional number, amounting to twenty-seven, of these double-bowed paddle-wheel vessels have been built, almost all of them by contract. The Sassacus, which was distinguished in the attack on the rebel ram in Albemarle sound, the Metacomet, conspicuous in Mobile bay, and the Eutaw, are types of these ves-

sels. Eight of this class are built or building of iron, and will have strength sufficient for sea service as well as for inland waters. One of them, the Wateree, sent round Cape Horn, reached San Francisco in September last, and is on duty in the Pacific.

In order to have armed vessels suitable for naval operations on the Mississippi and its tributaries, the department invited plans and propositions from ship-builders and others acquainted with those waters, and the vessels built on those rivers have been chiefly from the plans submitted by parties thus invited. Two of these vessels, built at St. Louis, participated in the action with the rebel ram Tennessee, and have done good service in Mobile bay.

The entire class of monitor or turreted vessels has been brought into existence during this war, and the coast and harbor iron-clads have been serviceable in James river, at Charleston, and at Mobile. Modifications and improvements have been made in this class of armored vessels.

The pressure for iron-clads of light draught, which could ascend the rivers and penetrate the sounds and bays along our coast, was felt to be a necessity. The operations of our armies in the vicinity of the inland water and adjacent to the rivers required the constant presence of gunboats. But the men thus employed, as well as the magazines and machinery of the vessels are exposed, especially in the narrow streams with high and wooded banks. Some vessels, and not a few valuable lives, have been lost by these exposures, and in order to afford all possible protection to the gallant men who encounter these dangers, the department considered it a duty to provide armored vessels of light draught for their security. Contracts were entered into for the construction of twenty vessels on the monitor principle, each to carry two 11-inch guns, in order to be efficient, and to draw but seven feet of water.

It was ascertained, however, when the first two approached completion, that their draught of water was more than was intended. The heavy armor and the two 11-inch guns, with the machinery to give them proper speed, involved the necessity of enlarging the capacity of each of them. When making these necessary alterations, it was deemed advisable, under applications from some of the commanders of squadrons for boats that should present but a small rise above the surface of the water, to dispense with the turrets in five of these light draught vessels, with a view to special operations. The remaining fifteen were ordered to be enlarged by raising their decks, thereby giving them additional tonnage and greater draught and making them more efficient, but in other respects carrying out the original design. This work is now being performed, and most of the vessels are near completion.

The exigencies of the times and the necessities of the war have stimulated the inventive faculties of our countrymen to vast improvements in vessels, in engines, in ordnance, and projectiles. That in some instances they are not at first entirely successful is not surprising. Mistakes and even failures will occur. In nearly every class of vessels that have been built, and especially those that are armored, more or less alterations have been found necessary while they were being constructed. Only two of the monitor class of vessels—the

Dictator and Puritan—are proposed for sea-service. Their success, of which the inventor and builder is sanguine, is among the experiments that the period and the exigencies of the country have imposed upon the department.

Four turreted vessels have been built in the navy yards of wood and cased with iron, differing therein from the original monitors, which are exclusively of iron. One of them, the Monadnock, now in commission, has performed her trips from Boston to Hampton Roads with entire satisfaction, giving assurance that this experiment, deviating in essential respects from others, is likely to be successful. The draught of water of the Monadnock is twelve feet, and with two independent screws she has a speed of ten knots. Four other similar vessels of a still more formidable and invulnerable character are building.

The only sea-going iron-clad ships, besides the two turreted vessels already mentioned, are the New Ironsides, built in 1862; the Roanoke, one of the old frigates which has been armored, and the Dunderberg, a casemate vessel. For this vessel the contractor has promised a speed of fifteen knots at sea.

The department has, on several occasions, invited propositions for iron, sea-going, armored ships, but Congress having declined to make the necessary appropriations, no measures have been taken for their construction.

The vessels recently built, and at present constructing in the navy yards, are of wood, the smaller class of them being gunboats, eight of which are of the class of the Nipsic, of 600 tons, mounting one heavy pivot and four broadside guns. There are four of the class of the Nantucket, of 900 tons, mounting one heavy pivot, with six broadside guns. In addition to these there are four vessels of the class of the Algona, with a tonnage of 1,350 tons, and proportionate armament. All of these vessels have very considerable steam-power, and will as some of them have already proved, be efficient cruisers at sea.

The immediate wants of the blockade having been supplied by the vessels built and altered in the navy yards, and by purchase of the best merchant steamers capable of bearing heavy armament, the attention of the department has been bestowed on larger and more imposing ships, such as would be formidable not only for home defence but for foreign service. The position and influence of a nation among the great commercial and maritime powers of the world are to a great extent dependent on its naval ability. Limited appropriations have already been made by Congress for vessels of this character. Each succeeding year of this war has produced from foreign ship yards steamers of greater speed to run the blockade, and the reliable preventive of this illicit trade must be found in vessels of increased steam-power. By making them of sufficient size they will be formidable, not only to neutral violators of our laws, but to any enemy. Of the vessels on which some sacrifice of armament has been made to obtain speed there are seven building, three of which are already launched, and the others will soon be ready. Two of these vessels are being built by contract, and five in the navy yards. This class of vessels is represented by the Ammonoosuc and the Chattanooga. There are also in progress of construction twenty vessels with steam machinery of rather less power, but which are to be much more heavily armed. Ten of these, of the class of the Illinois, the Guerriere, and the Java,

have covered gun-decks, and will carry twenty heavy guns. Two will have a plating of thin iron as a protection from shells. The remaining ten, of the class of the Contoocook and Manitou, building in thne avy yards, are of less size but with equal machinery and intended for greater speed. As all of them will be provided with masts and sails, they can be cruising vessels and used on foreign stations.

STEAM MACHINERY.

As our navy has become not only exclusively a steam navy, but a very large one, with an enormous consumption of coal and great expenditure for the construction and repair of machinery, it becomes a matter of the first consequence that only the best machinery be obtained for it. This problem is one of very difficult, costly, and slow solution. The great maritime countries of England and France have not yet solved it, either in the commercial or war marine, and at this hour the best authorities do not agree upon it. So many conditions enter into the problem that as prominence is given more or less to one or the other different conclusions are reached. It is evident that as the question is purely a practical one, it can only be answered by extensive experience and accurate observations. Mindful of the importance of this matter, the department, notwithstanding the great pressure upon its resources by the war, has kept it in view and promoted by every means the acquisition of the necessary information. The proportions of hulls have been varied with a view to determine the relative development of speed in proportion to given power; machinery has been constructed upon different types and systems, and the department has encouraged all offers from citizens, as well as from its own officers, to build new machinery that gave promise of improvement. The navy at this moment contains marine machinery on an extensive scale of every kind; their results are in its log-books, from which can be determined their various merits, both for general service and for particular applications.

In the new screw gunboats machinery has been used designed by Corless, of Providence, R. I.; J. Ericsson, of New York; William Wright, of Woodruff & Beach's establishment at Hartford; Merrick & Sons, of Philadelphia, and the Bureau of Steam Engineering of the department. This was competitive machinery to be of equal power propelling the same hull.

In the double-bowed paddle-wheel steamers machinery has been employed designed by Merrick & Sons, of Philadelphia; by E. N. Dickerson, and by the Bureau of Steam Engineering.

In the large sloops-of-war, of three-thousand tons and over, competitive machinery is being placed by the above parties, and by J. Ericsson.

In the frigates and sloops of the old navy, and in some of those built during the early part of the present administration, machinery was employed designed by most of the principal establishments in the country. The Fulton Iron Works and Morgan Iron Works, of New York; Messrs. Woodruff & Beach, of Hartford, Connecticut; Harrison Loring, and the Atlantic Works, of Boston; Merrick

& Sons, of Philadelphia; the Vulcan Works, of Baltimore, and the Bureau of Steam Engineering.

In these vessels nearly every variety and type of engine, of valve gear, of rate of expansion, of surface condenser, of screw propeller, and of boilers, have been thoroughly tested; but the results thus far show that the machinery designed by the Steam Engineering Bureau of the department has not been surpassed, perhaps not equalled, by any of its competitors, while in many cases their results have been greatly below it.

In its iron-clads the department has experimented by the construction of different classes and sizes, both in wood and iron, propelled by one screw, and by two screws, working independently of each other. In its most recent constructions, of the Miantonomah class, a wooden vessel designed by the naval constructors and built at the navy yards, with Ericsson turrets, and machinery designed by the Bureau of Steam Engineering, a high rate of speed, perfect ventilation, impregnability, and the enormous battery of four fifteen-inch guns, have been combined in a vessel of the moderate size of 1,564 tons, drawing only twelve feet of water. These vessels are free from the disadvantage of fouling, which so greatly reduces the speed of iron ones.

Others of this type, but of increased tonnage, are in process of construction, to have still higher speed and be adapted to coast service.

In the steamers bought from the commercial marine of the country, and in the captured blockade runners, now adapted for naval service, are to be found every variety of machinery, both screw and paddle-wheel, constructed either in this country or Great Britain. So far as the exigencies of the war would permit, the different types of machinery have been submitted to careful experiment to ascertain their relative merits. Nearly every variety of boiler and of expansive gear, of rate of expansion, and of saturated and superheated steam, has been made the subject of accurate experiment, and it is believed that the files of the department contain the latest and most reliable information on these subjects. A chief engineer of the navy has been sent to Europe to collect information on these topics in addition to the published accounts and official reports.

Nearly all the kinds of coals of the seaboard States have been the subject of careful experiment, with a view to ascertain their comparative value for naval purposes. A board of engineers has also experimented with petroleum as a substitute for coal in naval steamers.

As opinion appears to have settled upon the horizontal and the vertical tubular boilers as the only ones proper for naval service, the department has had one of each kind manufactured, according to designs furnished by a board of nine engineers, employed in the principal private steam-engine manufacturing establishments of the country, and by the Bureau of Steam Engineering, for the purpose of accurate experiments to determine their respective merits. These experiments will be of the most elaborate nature, and will, it is presumed, enable a choice to be made. They are now in progress.

A commission of nine, on practical engineering, has been appointed by the

department, consisting of three from the Academy of Science, three from the Franklin Institute, and three on the part of the department—all eminent in physical science—to devise the proper apparatus, and make the necessary experiments therewith, to ascertain by practical results the economy of using steam with different degrees of expansion. These experiments, which are now in progress, will be as elaborate and as complete as it is possible to make them. And under the practical conditions of steam engineering, it is believed they will indisputably set at rest the amount of gain to be obtained from using steam with different measures of expansion, and also determine the relative merits of different kinds of valve gear, steam pressure, &c., besides settling many incidental questions of great importance.

Nothing has been left undone in the way of ascertaining and putting in use all valuable improvements in steam machinery, and no occasion neglected of experimentally determining the data necessary for correct opinion.

The competitive engines and boilers now under construction and trial will furnish information which will be of great public utility.

NAVY YARD FOR IRON VESSELS AND MACHINERY.

The introduction of steam as a motive power for naval vessels, is causing a revolution in maritime warfare which the ablest minds have long predicted would be the result of this agency, but which is not yet to its fullest extent appreciated It changes the whole character of blockade, and in future wars it will be found that a few fast privateers by steam will harass or annihilate the commerce of the most powerful belligerent nations.

Our country has been compelled by this civil war to take the initiative in organizing a vast steam navy with which to establish and enforce the blockade of our whole coast from the Chesapeake bay to the Rio Grande; and also to suppress the depredations of semi-piratical privateers, built by skilled English mechanics in English ship-yards, and manned by Englishmen, which, under the rebel flag have roved the ocean, destroying our merchant shipping, and have found refuge and supplies in English and neutral ports.

When hostilities commenced, our government had provided no suitable navy yard with machine shops and foundries to manufacture the necessary machinery for our rapidly increasing and expanding navy; but the department was compelled to rely on the few private establishments, which it could divert from other engagements, for the immense work that was calling out the resources of the nation.

Great embarrassment was experienced in consequence of this neglect of the government at the very commencement of the war and although the naval service and the country are suffering constantly from this neglect, measures for the establishment of a suitable navy yard for the construction and repair of iron vessels, their armature and steam machinery are still delayed.

As early as March, 1862, and on several occasions since, I have had the honor to present my views to Congress on this subject. The earnestness and

frequency with which it has been brought forward must find an apology in its great importance.

It has never been the purpose of the department, in any of its suggestions or recommendations, to increase the number of our navy yards, nor to alter their local distribution. The yard which we now have at Philadelphia is altogether inadequate to our present or future wants. It was proposed, therefore, to substitute a new one on the Delaware, in the vicinity of Philadelphia. League island, within the limits of that city, if adopted as a site, must gradually absorb the works at the present yard, which would then be discontinued.

All of our present navy yards, it will be remembered, were established for the construction and repair of wooden sailing vessels. Steam and armored vessels have superseded these, and the inability of our present establishments for the work imposed by this war has been the source of inexpressible anxiety, and often of great disappointment and public injury. . To relieve the navy yards from work which they have but limited means to execute, and to secure necessary repairs, the department has been compelled to establish stations for machinery, and means of refitment at Mound City, Memphis, New Orleans, Ship Island, Pensacola, Key West, Port Royal, Beaufort, Norfolk, and Baltimore. But these and all the private establishments of the country, besides other calls upon them, have been insufficient to keep the present navy in necessary order, so that, if to the duty of blockading there were added ocean conflicts with a naval power by which our ships would be often disabled, the sad spectacle would be presented of our naval vessels laid up in time of war for want of a proper establishment with the shops and means to repair them.

Our country, whose strength and power among nations must ever be identified with and maintained by its navy, and which possesses in such abundance the means of creating and sustaining one, has not, in all the navy yards combined, the appliances possessed by single establishments in England and France. Were there outside of our navy yards establishments to perform promptly the requisite work in time of war, I should not at this time again press the subject of a navy yard for iron work for the construction of vessels upon the consideration of our authorities. But although the department has generally been ably and zealously seconded in its efforts by private contractors, yet the fact that there is no customer but the government for much of this heavy class of iron work, forbids us to expect that individual enterprise will be prepared to execute it without full remuneration for all the outlay for shops, tools and machinery which may be required in preparation. Besides this, unlimited time is taken by them for the completion of the work. It may be proper to mention, as an instance of the delay to which the government is subjected, that in October, 1862, contracts were made with a manufacturer of reputation and ability for making and setting up the turrets of the Tonawanda and Miantonomah, which were to have been completed in February, 1863, but they will probably not be finished until February, 1865, two years after the expiration of the time specified in the contract. At the commencement of hostilities this department had equipped, and at its immediate disposal, three vessels of war. Those which were laid up, and those

which were recalled from abroad, had to undergo extensive repairs, for which no provision had been made. The government has not even at this time an establishment where a shaft can be made for our steamers or a plate for our iron-clads. The frontage or wharfage at all our navy yards, so important for repairs, in less than is required at each of them.

Our next contest may be with a naval power which will attempt to direct upon our shores a course of operations similar to those which we have applied to the southern coast for suppressing the rebellion. One yard, at least, where iron vessels, iron armor, and iron shafting can be manufactured, is now imperatively necessary. Among the considerations that should control the selection of a site for such a yard and establishment, which shall become the depot for the materials collected in years of peace with which to build and repair our naval vessels, and where will be aggregated machinery and tools such as at present are not to be found in this country, and which, when once procured, could not, if destroyed, be easily or readily replaced, will be its absolute safety from attack by sea or land. So far as is possible we should avail ourselves of natural advantages in obtaining the indispensable security for such an establishment, without depending entirely on fortifications and artificial means, which would be more costly than the navy yard itself.

The additional military defences of Portsmouth, England, rendered necessary by the proximity of that great naval station to the ocean, and its consequent assailability by modern ordnance, are now being constructed at an expense of $50,000,000.

A navy yard, if we have one for naval iron work, should be established on fresh water, for this is essential to the preservation of iron vessels, which cannot be laid up in salt water during peace. Ready access to coal, iron, and timber is also important, for these essential articles should be always available on the inland waters without exposure to an enemy by coastwise transportation. The vicinity of a large city where skilled artisans can be obtained without difficulty, and the facilities of markets and tenements are abundant, should be considered. A foundation of gravel would, for the purposes of machinery, be preferable to stone. An extensive water frontage must also be secured. For such a depot and establishment, where costly machinery and material would accumulate during years of peace, the advantages of an interior location are most manifest. These favorable conditions are to be obtained nowhere else so completely as on the Delaware river; and the position of League island, within the limits of the city of Philadelphia, presents probably a stronger combination of the points that are necessary than any other location.

It is to be regretted that competition for supposed local benefits should interfere with, retard, and perhaps entirely defeat the government in its efforts to secure so important a national establishment. If in such a conflict for sectional favor the country should lose forever the best situation for such a navy yard and establishment, the result would be always deplored. The department has studiously avoided the controversy which has arisen in consequence of the efforts

to secure a navy yard at New London, which is foreign to the question of enlarging or substituting a more commodious establishment at Philadelphia. A multiplicity of small yards, similar in character, crowded into one section of the country, was not the object or purpose of the department in the suggestions and recommendations which it has from time to time urged upon Congress. There are already three navy yards east of the Hudson, and should Congress deem it advisable to add another to that section or elsewhere, it is to be hoped that such determination will not interfere with or prevent the government from having a proper establishment for the construction of iron vessels, iron armor, and iron work of every description for naval purposes in the immediate vicinity of the iron and coal region of the more central portions of the Union. Such an establishment as the department has advised on the Delaware would not add to the number of yards, but would be a mere substitution, without one dollar's expense to the government for land, of the more commodious and extensive grounds and water front of League island, in place of the present limited and restricted site at Philadelphia, which is wholly inadequate and insufficient for the purposes of a yard for even wooden ships.

Among the reasons which impel me again to introduce this subject and earnestly press it upon the immediate attention of Congress, is the fact that the great Pennsylvania Central railroad has moved with a view of obtaining a portion of the least valuable part of League island for a depot. The objections urged against that position for a navy yard, with its workshops, have no weight with this company, which requires shops and heavy work, and knows its own interest. Unless, therefore, this free gift of over six hundred acres of land, with a water front of twenty-three feet depth extending for more than two miles, within the limits of Philadelphia, should be accepted during the present session of Congress, it will probably pass into private hands, and the most desirable and available position in this country for such a yard will be diverted to other purposes, and lost forever to the government. As a measure of ordinary prudence it is most earnestly recommended that the offer of League island be without delay accepted. When plans for its improvement shall be submitted, and an appropriation asked, with a view of transferring the works at the present yard to the new location, Congress can then exercise its discretion in determining the amount of expenditure proper for this purpose.

NAVY YARD ON THE MISSISSIPPI.

By an act of Congress, approved June 30, 1864, the Secretary of the Navy was "authorized and empowered to appoint a commission, consisting of one naval officer, one officer of the engineer corps, and one civilian, to select the most approved site for a navy yard or naval station on the Mississippi river, or upon one of its tributaries, and to report to the next session of Congress." In pursuance of the authority conferred on me by this act, a commission has been constituted, and is now engaged in making the required examinations. Rear-Admiral Charles H. Davis, who has had experience as commanding officer of

the Mississippi squadron, was appointed senior member of the commission. The Secretary of War having been requested to name a suitable officer of the engineer corps to be associated on this commission, and having named and detailed Lieutenant Colonel A. H. Bowman for the purpose, that officer was appointed. George W. Blunt, a civilian of nautical reputation and ability, of the city of New York, is the third gentleman of the commission.

NAVAL RANK.

There is in the naval branch of the public service no rank corresponding with that of lieutenant general. Congress has established the grade of rear-admiral, which corresponds with that of major general, and it would be an act of recognition eminently deserved, and which would be fully appreciated by the gallant men of the navy, were Congress to authorize the appointment of a vice-admiral. Such honors and preferments stimulate heroes.

Among eminent commanders in our naval service, of whom the nation may well be proud, we have one who, all will acknowledge, merits by his achievements as high rank as that of any naval officer in any country.

On the occasion of the recent brilliant victory in the bay of Mobile, more glorious, perhaps, in some of its incidents, even, than the memorable conflict that gave us the possession and ultimately restored the free navigation of the Mississippi, it was, beyond question, the spontaneous sentiment of the country, that the veteran hero who had illustrated our naval annals by these grand successes was worthy of the highest honors, and should be promoted to the highest naval rank. In recommending, therefore, that the office of vice-admiral should be created, and the appointment conferred on Rear-Admiral David G. Farragut, I but respond, as I believe, to the voice and wishes of the naval service and of the whole country.

The attention of Congress, through the naval committee, has heretofore been called to the fact that the number of officers on the active list in the grades of commodore, captain, commander, and lieutenant commander, is not equal to the number of vessels of the different rates required by law to be commanded by officers of these grades. A small increase was recommened as well as an alteration in the law relative to filling vacancies in the grade of admiral in time of peace. My letter on this subject, with the accompanying draft of a bill, making provision also for the incorporation into the regular service of a few volunteer officers who, by zeal, ability, and service during the war, have merited this reward, will be found in the appendix to this report.

ENLISTMENT.

The enactments of the last session of Congress in regard to enlistments have been in their operation beneficial to the naval service, and in a great degree have corrected the unfortunate legislation of the preceding session. Not only the full complement of men required has entered the service, but a surplus of many thousands of landsmen have offered, who could not be received. But the want of seamen is still felt. Large numbers of that valuable class were induced to

enter the army when high bounties were given to the soldiers and withheld from the sailors. Many thousand trained seamen, under those extraordinary inducements, enlisted in the army before the legislation for the two branches of the public service was equalized. Although the law now authorizes their transfer to the navy, a very considerable portion of them still remain in the army, where landsmen would be of equal service. Seamen are experts, and cannot be procured by draft, or secured for an emergency like the present, any more than engineers or accomplished gunnery officers.

Stimulated by patriotic impulse, men may volunteer to serve their country in any capacity, but they cannot be made available as seamen without training and experience at sea.

The organization of a man-of-war is very different from that of a merchant vessel. A first-rate sailor will soon make himself at home on board of any ship, but the division of duties—the system of petty officers—the exercise at quarters and in boats—the discipline, the observances, and the thorough and complete system of a man-of-war, are unknown out of naval ships. There are no means by which to teach landsmen to become sailors except on shipboard, and there is difficulty in inducing native Americans to enter either the naval or merchant service. In other countries the field of adventure is restricted; here the avenues are many, besides ocean life. I am not aware that any State but Massachusetts has a nautical school. Encouragement is given to the young in every other calling; but the naval and merchant service, in time of peace, depend almost entirely upon the foreigners and the homeless for mariners to sail their ships. These men, who hardly touch the shores without finding themselves the victims of land-sharks, and who scarcely receive a thought in the vast and generous sanitary operations, put in motion by wealth and beneficent patriotism, have enriched our country by their labors in commercial employments; and in danger, privation, and hardship, have adhered with unwavering fidelity to the flag—never disappointing us, and never giving us defeat.

With a view of doing some measure of justice to this meritorious but too much neglected class, and as a preliminary step towards their elevation and usefulness, the Sabine has been fitted up for the purpose of a school-ship for boys. This is, in fact, a revival, with some modifications, of the apprentice system, which, while it was continued, worked beneficially for the sailor and the country. Some measures are requisite to elevate the condition and the character of this class now, when the sailor is neither flogged nor taught to become a drunkard—two important steps in the right direction towards making him a man to be trusted on shore as well as afloat.

Commencing as apprentices on the school-ship, it would be well to open to the sailor boy the way to promotion by giving him an opportunity, if he shall deserve it, of entering the Naval Academy. From among the apprentices on the school-ship, a selection of one-half of the midshipmen annually appointed might be made with great advantage to the service and the country. These apprentices, in their preliminary training on the school-ship will have developed their capabilities and aptitude for the profession, and in transferring them

to the academy, there will not be the manifold errors which attend so large a portion of those who are appointed under the present system. Were each congressional district authorized to place two or more apprentices on the schoolship, and the annual selection of midshipmen, or one-half of the midshipmen, directed to be made from these apprentices, its effect would be most beneficent on the sailor, as well as the schools and the service. It would popularize the navy, and open to those who may have enlisted the highest positions and honors of the service.

NAVAL ACADEMY.

Congress having by the act approved May 21, 1864, directed that "the United States Naval Academy shall be returned to, and established at, the Naval Academy grounds in Annapolis, in the State of Maryland, before the commencement of the academic year eighteen hundred and sixty-five," it will be necessary that preparations should be commenced for putting the buildings and grounds in order as early in the ensuing spring as the War Department can leave them. The school and the service will be benefited by having the institution permanently established, and when this is effected, it will be enabled to pursue its career under circumstances more favorable to the efficient training of the midshipmen.

The able superintendent, Commodore George S. Blake, has preserved his connexion with the school during its unsettled state, and its management, under many disadvantages, has been creditable to him and his associates.

CADET ENGINEERS.

Preliminary measures have been taken to carry into effect the law of the last session of Congress authorizing the education at the Naval Academy of cadet engineers, to be selected from youths not over eighteen years of age, who shall have been engaged at least two years in the fabrication of steam machinery. A circular has been issued and printed in the papers of the great manufacturing cities, inviting applications in conformity to the law.

Before this plan shall be put in operation, it is respectfully submitted, in view of the radical changes which have been wrought by steam as a motive power for naval vessels, whether steam-engineering should not be made to constitute hereafter a necessary part of the education of all midshipmen, so that in our future navy every line officer will be a steam-engineer, and qualified to have complete command and direction of his ship. Hereafter every vessel-of-war must be a steam vessel. Those designed for ocean service will be furnished with sails in order to economize fuel while cruising; the present and future navy will therefore combine sails and steam as motive power, and seamanship and steam-engine driving will each be necessary to make the finished professional officer. The officers to sail and navigate a ship and the officers to run the steam-engine are about equal in number.

The department is not aware that any line-officer, whatever attention may have been given by him to the theoretical study of steam, is yet capable of

taking charge of an engine, nor are steam-engine drivers capable of taking charge of a man-of-war, navigating her, fighting her guns, and preserving her discipline. When vessels were propelled exclusively by sails, there were but two officers, excepting in flag-ships, the surgeon and paymaster, who were not line-officers. But under the present naval system a new and additional corps is introduced, as many steam-engineers being required for a vessel as there are line-officers; and, while cruising under sail, or lying in port, or performing any duty when the engine is at rest, one-half of the officers are, by existing regulations, idle and incapable of participating in duties that are often laborious and oppressive on the officers of the line, comparatively speaking. The engineers would willingly share these duties were they acquainted with them. But half the officers of a steamship cannot keep watch, cannot navigate her, cannot exercise the great guns or small arms, nor, except as volunteers under a line-officer, take part in any expedition against the enemy. On the other hand, the other half of the officers are incapable of managing the steam motive power, or of taking charge of the engine-room in an emergency, nor can the commander of a vessel, though carefully taught every duty of a sailor and drill-officer, understand, of his own knowledge, whether the engineers and firemen are competent or not.

The remedy for all this is very simple, provided the principle were once recognized and adopted of making our officers engine drivers as well as sailors. It would not be expedient to interfere with the present status of line officers or engineers—the change would be too radical; but we should begin by teaching each midshipman to be able to discharge the duties of line-officers and steam-engineers. To combine the two in one profession, so that officers so educated can take their watch alternately in the engine-room and on deck.

Objection may be made that the duties are dissimilar, and that steam-engine driving is a specialty. The duties are not more dissimilar than seamanship and gunnery. When seamanship was the only education given to an officer, it was not believed he could ever learn to teach sailors to drill, and a sergeant of marines performed the duty which is now so admirably discharged by the graduates of the Naval Academy. When gunnery became a specialty, it was inconsiderately and unwisely proposed to have a corps of ordnance officers engrafted upon the naval service, a separate organization, which should draw to itself the knowledge so necessary to each, and therefore proper to be distributed amongst all the officers.

Fortunately our naval officers are taught seamanship, gunnery, and the infantry drill, and the service thereby saved from distinct organizations in these respects, which would inevitably have impaired its efficiency. It only remains to commence, at this time, and as preparatory to the future of the navy, to teach the midshipmen steam-engineering, as applied to running the engine. This would be independent of the art of designing and constructing, which is purely a specialty, and nowise necessary in the management and direction of the ship. And to this specialty, as a highly scientific body of officers, would the present corps of engineers be always required, as inspectors and constructors of machinery. With the adoption of the suggestions here made we shall in

due time have a homogeneous corps of officers, who will be masters of the motive power of their ships in the future, as they have been of seamanship in the past. By this arrangement there will be in each ship double the number of officers capable of fighting and running the vessel without additional appointments or expense. Innumerable other advantages commend the plan as worthy of trial, and it is presented for favorable consideration. The work can be commenced and carried forward at the Naval Academy without any additional appropriation, and the authority of Congress is invoked in behalf of the suggestions here submitted.

PRIZES AND PENSIONS.

The number of vessels captured by the squadrons since the last annual report, and reported to the department prior to November 1, is 324, classified as follows: schooners, 105; steamers, 88; sloops, 40; brigs, 3; barks, 3; small boats, 85. The total number of captures since the commencement of the rebellion is 1,379, viz: schooners, 652; steamers, 267; sloops, 171; brigs, 33; barks, 29; ships, 15; yachts and small boats, 117.

The gross proceeds arising from the sale of condemned prize property amounts to $14,396,250 51; expenses, $1,237,153 96; leaving for distribution, one-half to the captors, and one-half to the United States as a naval pension fund, $13,190,841 46.

Annexed to this report is a table giving the names of vessels captured, date of capture, name of capturing vessel, &c. Also a list of cases already adjudicated, showing the gross proceeds of sale, the expense of condemnation, and the net amount for distribution.

A joint resolution of Congress, approved on the 1st of July last, authorized the Secretary of the Navy to invest so much of the naval pension fund as was not required for the immediate payment of pensions in the registered securities of the United States. Under the authority conferred upon me I have invested five million dollars, as provided in the resolution, and on the 1st of January next there will be the further sum of $2,000,000, which can be invested without interfering with the prompt payment of pensions. This amount will yield an annual income of $420,000, sufficient for the payment of the entire pension roll. It affords me no little gratification to be able to state, that our brave officers and seamen, besides realizing handsome sums for themselves, have created a fund, the income from which will, doubtless, be ample for the payment of the authorized pension to those who have been wounded, and to the widows and orphans of those who have been killed in the service, or died from disease contracted in the line of duty, without calling upon the national treasury.

The pension roll on the 1st of November, 1864, was as follows:

769 invalids with pensions amounting to	$50,401 10
840 widows and orphans amounting to	139,258 00
1,609 persons receiving a total amount of	189,659 10

In this connexion I ask attention to the suggestions of the chief of the Bureau of Medicine and Surgery relative to naval pensions. The act of Congress approved July 11, 1862, regulating pensions, makes no provision for the new grades of the navy—rear-admiral, commodore, lieutenant commander, &c.—authorized by act of Congress on the 16th of July of the same year. The act should be so revised as to include these grades, and it is suggested that a better adaptation of the amount of pension to the responsibility of the officer might be advantageously made. The highest pay now authorized is thirty dollars per month, the family of a captain receiving no more than the family of a master commanding, and is a reduction of twenty dollars per month from the amount formerly paid. The act of Congress approved on the 4th of July last provides that a person in the "military service" who shall lose both feet shall receive a pension of $20 per month, and those who shall lose both hands $25 per month. As the law is construed not to include persons in the naval service, those who have suffered a similar loss in the navy continue to receive but eight or ten dollars per month—an inequality which it is believed was not intended. I suggest such changes in the law as will place the sailor upon the same footng as the soldier.

PRIZE LAW.

The seventh section of the act in relation to abandoned and captured property, approved July 2, 1864, reverses the law of prize as it stood prior to the present rebellion, and also as adjudged and applied since the commencement of the rebellion by the courts in their exercise of prize jurisdiction. It reverses also for the future the public policy of the country upon the subject, as manifested in the legislation of Congress both before the rebellion and since its commencement up to the date of this act.

This abrupt reversal of settled law and of public policy in regard to "property seized or taken upon any inland waters of the United States by the naval forces thereof," was not, I apprehend, well considered, and does not appear to have undergone discussion in either branch of Congress. Whether the words "no property seized or taken upon any inland waters of the United States by the naval forces thereof" comprehend not only cargoes, but vessels, may be questioned; but it can hardly be supposed that Congress intended to deny that naval vessels captured in naval conflict, as at New Orleans, or Memphis, or in Mobile bay, are the legitimate subject of prize. The same is true also of transports, armed or unarmed, conveying the troops or munitions of an enemy, which may be captured. It seems improbable that to deprive such captures of the character of prize could have been deliberately intended.

Do the words "any inland waters of the United States" embrace the Chesapeake and Delaware bays, the bay of Mobile, and Lake Pontchartrain?

By the terms of this section the naval officer seizing or taking property has the option either to send it in to the courts or to turn it over under the act of March 12, 1863, to the Treasury agent. No one but the naval seizer has this option. All other persons must turn over their seizures to the treasury agent.

It is difficult to perceive the purpose for which this distinction is made. The property seized is either liable to capture and condemnation as prize, or it is not. If it be so liable, he is bound to send it to the prize court. Why, then, should he have authority to turn it over to the treasury agent? and if it be not so liable, why should the naval seizer alone be relieved from the obligation of sending it to the treasury agent?

If it be the object of the section to take away the character of prize of war from all property which may be captured by naval forces on the inland waters of the United States, it is respectfully submitted whether its repeal is not demanded by the highest considerations of public policy. The inland waters of the United States constitute cruising stations of vast extent, and so situated as to be of supreme importance in the prosecution of this, or, indeed, of any maritime war. These waters offer the readiest naval access to vast amounts of commercial property belonging to those who are now waging war against the government. The property, both public and private, found upon these waters and along their shores belonging to the enemy is, under the public law of war, liable to capture by naval belligerents, and when so captured, to condemnation as prize of war. By the exercise of this right, a naval force can reach and capture property which should be taken from an enemy, and which is yet left untouched by our statutes.

Upon the inland waters within the insurrectionary region, or affording access to or egress from it, our naval vessels are now in great numbers, and while the war lasts will continue to be engaged in belligerent operations. Why should the law intervene and deprive that part of the navy of one of its primary belligerent rights? It certainly could not have been intended to cripple the power of the navy to cripple the enemy, or by law to hedge round and protect from capture and condemnation an enemy's property. The service on inland waters is not less difficult, perilous, and harassing than that on the sea, that there should be this discrimination against it, nor has it been less useful to the country.

Under the operation of this act no more of the proceeds of any capture go into the treasury than under the law of war, because the sixth section authorizes the allowance of a moiety to "informers, collectors of the customs, and other persons," as an incentive to "vigilance in protecting the public interest." In taking this moiety from the officers and crews who make the captures, and conferring it on the informer or custom-house officer, the treasury and country are not benefited. The right to make capture or prize of war, in all places and upon all property, subject to the law of war, is one of the encouragements which maritime nations have extended to their navies in all time, and ours has been no exception until this enactment. The exercise of this right, in cutting off the resources of an enemy, is one of the chief methods by which nations seek to bring war to a close.

There is no reason why in this war against the rebellion an ancient and rightful proceeding should be abandoned, and a rule adopted that must operate to our national injury in all wars. I can see no reason upon which to conclude that in fighting down this rebellion we should reverse all previous usage and law.

either as against the rebels themselves, or their abettors, or the property upon which they rely for their resources, or why, indeed, we should relinquish any one belligerent right. On the contrary, it will be well to preserve to our navy upon all the waters where it can float or fight all its rights of war unimpaired.

With these views the expediency of a repeal of the 7th section of the act alluded to is recommended, and the substitution in its place of some provision of like effect to that which is found in the last section of the act upon the same subject approved March 12, 1863.

CONTRACTS.

The present contract system is open to many and serious objections. Whatever may have been its merits when originally established, the condition of the country and of trade has so changed as to render essential modifications necessary, if not the abrogation of the system itself. The instability of prices, and a rising market during the progress of the war, have made it difficult, and, in some instances, almost impossible to procure offers for contracts to furnish yearly supplies for the navy from honest and reliable contractors at a rate which does not contemplate the highest market price of gold, as well as long delay in the time of payment. Any change for the better in the condition of the country or the market will be a gain to the contractor who has an annual contract, and a corresponding loss to the government.

A proposal made the present year for the annual supply of flax canvas which is mostly imported, illustrates this point. The bids were received when exchange was at nearly the highest rate it has attained, and from an honorable and reliable contractor who has for years supplied the government faithfully. The aggregate of the offer was, for payment in currency, $1,428,719 50, or for payment in gold, or its equivalent, at the time each bill was paid, $536,923. There was no alternative under the law other than to accept the currency bid, and as the rate of exchange has fallen, there has been a corresponding increase of profits to the contractor.

In this case, and others of like character, the true interest of the government would undoubtedly be promoted were the department permitted to assume the risk, and omit making annual contracts, relying upon purchases as wanted, under the direction of the department, at the current market price. The government is seldom benefited by a rise in prices; for while the laws compel its agents to pursue a definite course of action, the contractor generally finds little difficulty in evading penalties, and a losing contract is therefore abandoned. It is worthy of serious consideration whether, for the present at least, it would not be for the true interest of the government to relinquish the system of annual contracts altogether, and authorize purchases to be made by agents of probity, whose fidelity and integrity have been tested through years of faithful service, and who have a life-long commission as well as a character to lose as a penalty for malfeasance.

Another source of embarrassment in procuring naval supplies has been the delay and uncertainty of payment. Unless a definite time for payment is fixed,

and bills are promptly met, or unless interest be allowed during the delay of payment, the government will inevitably become a large sufferer. Many of the best merchants in our principal cities, who have heretofore sought dealings with the government, now decline accepting an order on any terms.

It has never been the policy of this department to advance money to its agents, and they cannot for this reason make cash payments. Requisitions are drawn on the Secretary of the Treasury only for matured bills, and every day's delay in the payment of a fulfilled contract is a wrong and a loss to the holder, and of ultimate serious injury to the government. As a consequence, the government is driven to other, and often less honest dealers, and is compelled to pay for subsequent purchases higher rates. Government, instead of being shunned and distrusted for neglecting to make prompt payment for value received, should, for its prompt payments, be a favored purchaser in any market—enabled to deal with the manufacturer or producer at first prices, instead of with second and third hands.

If supplies are procured when wanted and as wanted, at the market price, either in open purchase, by an honest agent, or upon bids received for immediate delivery, with prompt payment, immense sums would be saved to the department and the government.

I have heretofore referred to the defects and abuses practiced under the existing laws of awarding annual contracts for naval supplies to the lowest bidder. Whatever may be the character or reputation of the bidder for fair and honest dealing, no discretion is given to any officer of the government in the premises, nor can any officer decline the contract, though it may be obvious the bidder cannot furnish good articles at the prices which he proposes.

Contracts are made under the operation of existing laws, which cannot be honestly fulfilled; and under the practice that has prevailed, the whole system has become tainted with demoralization and fraud, by which the honest and fair dealer is too often driven from the market. Articles inferior in quality and deficient in quantity are delivered and passed. Bribery and other improper practices are resorted to, to induce persons in the employment of the government to aid in these frauds.

Malfeasance on the part of officials in connexion with the purchase and delivery of supplies was alleged to exist, and with the purpose of investigating and bringing such fraudulent practices to light, application was made to the War Department, which detailed an officer to prosecute these inquiries. The result is that many and great frauds have been discovered. Proceedings have accordingly been instituted, and are now in progress against some of the parties implicated before military tribunals under the statute, and against others in the civil courts.

INCREASE OF SALARIES.

In consequence of the greatly increased prices that prevail, many who are in the clerical employment of the government, at a compensation established prior to the war, are receiving a remuneration wholly insufficient. The state of

the currency, with other causes, has so affected prices that these men are receiving relatively but about one-half the pay of former years, and the effect has been such as to compel many of the best clerks in this department to leave the government service. This is a public injury, especially in a crisis like the present. The place of an experienced and accomplished clerk is at no time easily supplied; but when such place is vacated for the reason that it is not remunerative, or that the pay is below corresponding positions in private establishments, the difficulty is increased. It is therefore suggested that the salaries of the clerical force, or a portion of the clerical force, be increased until the close of the war, or until the currency shall return to a specie standard.

This recommendation is made with some reluctance, and only under a sense of its absolute necessity at this time.

MASTER'S MATES.

When the rate of pay for master's mates was established it was thought to correspond with that of other grades—but the changes in currency and values which have since taken place render it difficult to retain in service a sufficient number of this highly serviceable and meritorious class of officers. I would therefore recommend that the pay of master's mates be increased from forty to sixty dollars per month.

EXPENSES AND ESTIMATES.

On the 1st of July, 1863, there was an unexpended balance standing to the credit of the department of	$39,101,970 34
The appropriations for the fiscal year ending June 30, 1864, were	76,663,567 36
Total available means	115,765,537 70
The expenditures of the department during the same time were	85,733,292 77
Leaving a balance at the commencement of the present fiscal year of	30,032,244 93
The appropriations for the current year are	109,256,814 54
Making the total available resources for the fiscal year ending June 30, 1865	139,289,059 47

The estimates submitted for the fiscal year ending June 30, 1866, are as follows:

Pay of the navy	23,327,722 50
Construction and repair of steam machinery	17,145,000 00
Construction and repair of vessels	24,530,000 00
Ordnance and magazines	9,187,615 00
Fuel, hemp, and equipment of vessels	14,050 000 00
Provisions and clothing	13,923,280 75
Navy yards and superintendents	4,577,313 00

Navigation and Naval Academy	562,626 00
Surgeons' necessaries and hospitals	315,000 00
Marine corps	1,599,087 70
Contingent and miscellaneous	2,970,018 33
Total	112,187 663 28

The expenditures of the department since the 4th of March, 1861, have been as follows:

From 4th of March to close of fiscal year, June 30, 1861	6,244,357 63
For fiscal year ending June 30, 1862	42,200,529 06
For fiscal year ending June 30, 1863	63,211,105 27
For fiscal year ending June 30, 1864	85,733,292 77
From July 1, 1864, to November 1, 1864	41,257,976 72
Estimated expenditures from November 1, 1864, to March 4, 1865	42,000 000 00
Total for four years	280,647,261 45

This exhibits an average annual expenditure, through four years of expensive war, prosecuted under many and great disadvantages, of $70,161,813. Could the transactions of the department have been conducted on the true standard of value, that of gold and silver, or of paper convertible into money at the will of the holder, our naval war expenses would scarcely exceed, perhaps not equal, the current expense of either of the great maritime powers during the same period. There is also this great difference: Those powers had a navy already constructed and in commission. We have had to create and pay for one, in addition to our annual current war expenses. Were the cost of our vessels deducted from the amount above stated, the expenses of this department would fall millions below those of other governments. As the vessels which were built and purchased have an intrinsic value, the money paid for them may be considered to be well invested.

The condition of the currency which has enhanced the cost of all materials and supplies has swelled the naval expenditures many millions, while the failure to pay promptly and when due the bills of contractors and others, has still further increased the aggregate of expenditures and augmented the difficulties in the work of creating and organizing the naval force.

THE BUREAUS.

The reports of the chiefs of the several bureaus present in detail the operations of their respective departments for the year. As they will be printed at the commencement of the session of Congress, it is unnecessary that I should do more than refer to the principal subjects embraced in them.

The chief of the Bureau of Yards and Docks calls attention to the great increase in the cost of materials and labor, and the consequent deficiency in some

of the appropriations. He urges a change in the present contract system, and gives it as his opinion that, in consequence of its operations, the bureau is compelled to pay twenty per cent. more than the market price for some of the smaller articles, which could better be procured by open purchase. The intelligence, judgment, and great experience of this officer entitle his suggestions to respectful consideration. The delay in passing the appropriation bill until near the close of the long session of Congress is considered another fruitful source of evil. The purchase of additional land at Boston and Philadelphia to enlarge the navy yards at those places is recommended. More water front is indispensably necessary.

The report of the chief of the Bureau of Construction and Repair explains in detail the kind of vessels it is proposed to build, and for which estimates are submitted. He recommends that provision be made for procuring and keeping on hand a supply of building timber and material, the accumulations of past years having been exhausted. He also recommends that measures be taken to increase the facilities in the several navy yards for the construction of vessels. In case of a foreign war, an additional number of dry docks would be required. Many important suggestions are made relative to the size of steam war vessels and the construction of armored vessels for sea-service.

The report of the chief of the Bureau of Steam Engineering contains a review of the operations of the bureau since the commencement of the war. Detailed statements are made of the size and power of the different classes of engines designed by the bureau and by other parties, and of the results attained in each case. Particular notice is given to the experiments which have been made to test the relative value of engines and boilers, the economy of using super-heated over saturated steam, as well as steam with different measures of expansion; the value of the different kinds of coal and of petroleum as a substitute, and of other less important combinations which enter into the construction and working of steam machinery. Drawings and specifications have been furnished for the machinery of one hundred and sixteen steamers, having an aggregate burden of 149,906 tons, besides supplying the necessary drawings and directions for the alteration and renewal, in whole or in part, of the machinery of a very large number of other vessels.

The chief of the Bureau of Equipment and Recruiting states the *personnel* of the navy at about 6,000 officers and 45,000 men. Under the operation of the acts of Congress, giving seamen the same bounties as soldiers, and crediting their enlistment upon the quotas of towns, the naval deficiencies have been filled. There are now about two hundred and fifty apprentice boys on the school-ship Sabine, and the system, as well as the proficiency of the pupils, is well spoken of. The consumption of coal this year will be about five hundred thousand tons. The ropewalk at the Charlestown navy yard furnishes all the larger sizes of rope required, but the facilities at the Washington navy yard are entirely inadequate to supply the needed quantity of cables and anchors, and additional establishments are recommended.

The report of the chief of the Bureau of Ordnance presents a resume of the

history and economy of our naval ordnance. The constant demands of the navy during the year for ordnance and ordnance stores have been promptly met, and at the same time full attention has been given to the many new and important ordnance questions of the day. Among other suggestions, is that of the removal of our large magazines from their present locations to more secluded situations. The importance of the permanent organization of a gunnery-ship, as a school for the instruction of officers and men, preparatory to being placed on board cruising vessels, is again presented. Owing to the great increase of ordnance work, and the accumulation of material at the New York navy yard, more room is needed. To meet this requirement, the bureau has commenced the filling up of the unoccupied marsh adjacent to the cob-dock, which, when completed, will afford ample accommodations, as well as furnish a park for two thousand cannon, with all appliances for fitting them for service.

The chief of the Bureau of Provisions and Clothing recommends a new arrangement of storehouses, and that they be entirely disconnected from the navy yards. Also the establishment of two government bakeries and the preparation by the government of the preserved meats and desiccated vegetables, which now form a part of the navy ration. He also recommends an increase in the number of paymasters and assistant paymasters in the regular service, and the establishment of the grade of passed assistant paymaster. The extraordinary rise in the price of provisions and clothing, and the increased number of men in the service, render additional appropriations necessary.

The chief of the Bureau of Navigation submits the usual reports of the naval observatory, Nautical Almanac office, and the general administration of his department. Nearly all the nautical instruments used in the navy, which, prior to the war, were procured abroad, are now of American manufacture, not excepting chronometers and comparing watches. The same gratifying advance cannot be stated with reference to material for flags, as we still sail under foreign bunting. Notwithstanding the large quantity used by the army, the navy, and the commercial marine, scarcely any progress has been had in inducing American establishments to undertake its manufacture.

The chief of the Bureau of Medicine and Surgery states the number of casualties reported during the year to be 171 killed and 351 wounded. Total number of cases of sickness under treatment, 61,229; of which number 1,048 died, 58,070 were returned to duty or discharged, leaving 2,111 under treatment at the close of the year. The total number of deaths is 1,560. He suggests a reorganization of the medical department so as to place it in better harmony with the growth and expansion of other branches of the service, and to adapt it more efficiently to present wants. With the existing organization and pay, it is found impossible to procure the requisite number of medical officers, the superior inducements held out to enter the land service attracting many in that direction who would otherwise prefer service in the navy. The statistics forming a part of the report show the large number of resignations, as well as the large proportion of those now in the volunteer service who decline positions in the per-

manent corps. Since January, fifty-two resignations have occurred, and quite a number are now before the department unaccepted, simply because of the impossibility of filling the vacancies. It is suggested that the only remedy is to make the medical commission more desirable in pay and position. The subject is commended to the attention of Congress. Additional appropriations are required for the completion of hospitals, and an alteration of the law of March 3, 1851, relating to the value of rations of sick transferred to hospitals, is suggested. Authority to purchase the balance of square No. 948, in the city of Washington, for a naval hospital, is also requested. The government already owning a portion of the land makes it desirable, on many accounts, that the remainder (some 14,000 feet) should also be under control of the department.

The colonel commandant of the marine corps reports his command in a good state of discipline. Although its number is now fully equal to the quota authorized by law, he is unable to comply with all the requisitions for guards for seagoing vessels. The reports from the several squadrons and vessels of the service show that, in the gallant deeds of the navy, the marines have borne an honorable part.

CONCLUSION.

In this my fourth annual report I have submitted somewhat in detail the condition of the department and the service. This report presents the distribution and employment of a maritime force which, including the additions to it now in progress and near completion, constitutes, for all the purposes of defence, if not of attack and conquest, the most powerful national navy in the world. In four preceding similar communications, including that submitted to you upon the assembling of Congress in the extra session of 1861, it has been my duty to exhibit the methods and measures of administration, by which, from a comparatively small beginning, and under the pressure of an unexampled exigency, this vast naval power has, since your accession to the Presidency, been brought into existence; to state the contributions which have been made to it from our commercial marine; to indicate the application of all the resources of our public naval establishments to its construction and preparation for service; to show how individual energy and skill and capital have come successfully in aid of insufficient governmental provision for the due prosecution of the work, and to trace in general outline the processes and results of inventive genius and scientific experiment which have changed, to a great extent, the materials and forms of naval structure and armor and armament, and have enabled our country, while in so brief a period assuming a foremost place among maritime nations, to create also a new era in the development and application of naval force.

In connexion with such account of the sudden creation of a new American naval power, it has been at the same time my privilege in these communications to make official record of a series of naval enterprises and achievements wholly without precedent or parallel. No previous conception of efficient blockade; no former endurance under the fire of fortified batteries; no audacity and suc-

cess heretofore known of naval attack upon such fortresses, through formidable submarine obstructions spread for their defence; no similar penetration by war vessels of internal waters through a reach of navigation almost continental; no other gigantic scale of co-operation of naval with army forces in expeditions and combats hundreds of miles from the sea board, and along the course of rivers precarious and dangerous of navigation, can anywhere be found of a character to compare with the triumphs in all these forms of naval effort which it has been the duty of this department during the past three years to organize and to report.

If in the prosecution of duties so arduous, complicated, and exacting, the trust confided to this department shall appear to have been faithfully and fitly discharged, then certainly my acknowledgments are still due, as they have been heretofore expressed, to the gentlemen associated with me in its management, to the whole clerical force, to the several chiefs of bureaus, and especially to the invaluable services of the Assistant Secretary and the chief clerk of the department.

But it is to the officers and men of our naval service that the great renown of what has thus been done, and is doing, justly belongs. The best administration of this department can do little more at any time than to give them the adequate means and the right opportunity of action. To them, therefore, first and always, be the honor, when their own country and the world shall recognize in this expansion and these exploits of our naval power a spectacle of patriotic and virtuous heroism worthy of the cause in which it is displayed, and of the national life which it illustrates and defends.

GIDEON WELLES,
Secretary of the Navy.

To the PRESIDENT.

REPORTS

OF

THE CHIEFS OF BUREAUS,

WITH SELECTIONS FROM ACCOMPANYING PAPERS.

BUREAU OF YARDS AND DOCKS.

Annual report and estimates for the fiscal year ending June 30, 1866.

NAVY DEPARTMENT, BUREAU OF YARDS AND DOCKS,
October 15, 1864.

SIR: Agreeably to your order of the 26th ultimo, I have the honor to present the annual report of this bureau for the fiscal year ending June 30, 1864, with estimates for the fiscal year ending June 30, 1866, with explanatory remarks.

It is a matter of notoriety that the prices of materials and labor have largely advafnced during the past and present years, which has caused a deficiency in the funds appropriated for some of the objects coming under the cognizance of this bureau. The demand for the numerous supplies under the head of contingent expenses increases with the augmentation of the navy, especially in the construction of steam and armored vessels, and this bureau is called upon to furnish the necessary tools, temporary shops, launching slips, &c., an additional number of which required at most of the northern yards.

The bureau regrets that Congress, at its last session, refused to grant funds for the purchase of an important addition of water front to the navy yard at Boston, which was thought by competent judges to be of much importance to the yard, and at a reasonable price. This appropriation was defeated by the passage of a law in the House of Representatives, (which I cannot find in the volume of laws published,) authorizing the seizure of any premises considered necessary for the public service, the value of the premises seized to be decided by a jury or commission. This process of procuring land, and taking it from the owner, without the ready funds, by an appropriation in advance, to pay for it, seems to be arbitrary, and might throw the owner out of his business while waiting for payment, dependent on an appropriation by Congress, and thereby subject him to great inconvenience and loss. The Boston yard should possess all the water front up to near Charles River bridge, and whether the necessities of the service will compel the government to take this and other portions of the city of Charlestown for government use is yet to be decided. The water front, however, is absolutely required, cost what it may.

It is urged by the people that this country must have a navy, and therefore the means and accommodations for constructing it must be furnished by them. At the New York yard, where the heaviest and largest portion of naval work is done, the working ground is so much crowded that it is with difficulty that the various operations of the yard can be carried on to advantage, especially the construction of new vessels; therefore it is important to enlarge the area of the working ground, by filling in the alluvial grounds, and for this object annual appropriations should be made until the work is accomplished.

No definite arrangement has yet been made with the city of Brooklyn for an exchange of ground to accommodate both parties, as authorized by resolution of Congress of July 2, 1864.

The purchase of a small addition to the Philadelphia navy yard, as provided by law, has not yet been consummated; the titles are under consideration, and I learn a caveat has been filed against the conveyance of this property by its present owners or claimants to the government.

At Norfolk the demand for repairs of steamers and their machinery is pressing, and cannot be fully complied with for want of appliances; still a large amount of work is done there, with the means we have been able to employ with the appropriations available.

At Mare island, California, the fluctuating state of the currency has embarrassed the department so far as to compel it to curtail the expenditures there to repairs of vessels and current repairs of the yard improvements.

The appropriations will but barely procure materials, leaving but little for labor or objects estimated for. Where gold is the currency, and legal-tender notes at a large discount, the difficulty of executing work within the estimates made previous to the financial troubles will be readily perceived.

It was found necessary, upon the demand of workmen to be paid in gold, to yield to a large increase of wages, dependent upon the price of gold, until master mechanics were receiving some nineteen to twenty dollars per day in treasury notes, or at the rate of more than five thousand ($5,000) per annum, while the commanding officer of the station was receiving three thousand two hundred dollars ($3,200) per annum, and other salaried officers in that proportion, which created much dissatisfaction, and the department came to the conclusion to curtail the operations there to keeping our vessels in that sea in serviceable condition, and the yard machinery and improvements in proper order for work.

A site has been selected near the naval asylum for a cemetery under the authority of law, and arrangements will soon be made for the removal of the dead from the old burial place in the asylum grounds.

Contracts have been made for two floating dry docks, one at New York and one at Philadelphia, as authorized by law. A difficulty will arise in providing a location at the latter place for the safe-keeping and working of this dock, and a further expenditure must be incurred by leasing wharf and dock room for it.

The yard could be extended by the purchase of adjoining property on reasonable terms, as I am informed, so that if no new yard be established on the Delaware, I would recommend such extension of the present establishment.

The navy yard is so circumscribed that its operations are with difficulty executed, but with the extension alluded to its dimensions would be such as to afford room for a large number of additional buildings, and space for the execution of a greatly increased quantity of work.

Large demands are made for improvement at stations not before definitely placed in charge of this bureau, so that I deem it expedient to ask an appropriation of one million of dollars ($1,000,000) to meet emergencies not specified. The experience of the past shows the absolute necessity of having a fund at the disposal of the department to meet the demands for wharves, stores, and workshops, at points not anticipated, and which are indispensable to the navy. In some instances this bureau has been obliged to draw on other bureaus to meet these imperative demands, and the amounts drawn must be refunded.

In regard to the system of contracting with the lowest bidder for supplies, including all small articles, in number legion, by advertisements, as provided by law, I consider it the worst that can be devised; indeed, Congress has passed laws on this subject which are most difficult if not impracticable to execute to the letter.

The operation of the law on this bureau differs somewhat from that on other bureaus, for appropriations are made for this for many specific objects at each yard, while for other bureaus they are made in large amounts for fewer objects.

When the appropriations are made at a late period of long sessions, about one-half of the working season is lost before materials can be procured for the

work. This bureau cannot prepare schedules of materials until the appropriations are made, they being for specific objects; the preparation of schedules, correction, printing, distribution, advertisement for proposals, opening, sealing, and examination of bids, and awarding contracts and executing the same, occupies at least three months, so that the contracts for the present year are now in process of execution, and will not be completed before the end, probably, of this month.

Thus one-third of the fiscal year will have passed before materials under these contracts can be available, and during that time indispensable supplies must be procured in open purchase.

In all this process of contracting with the lowest bidder, numerous questions arise to be decided; the proposals are full of errors, erasures, and miscalculations, some of them no doubt intended to deceive; when these errors are corrected, bidders become dissatisfied and suspicious, and one of them, who has come out as a champion of reform in naval contracts, has charged the bureaus, or their clerks, with complicity with bidders, and the chairman of the committee of investigation of the Senate tacitly confirms the truth of the charge in his minority report.

If Congress would pass the navy appropriation bill every session before the 4th of March, this delay would be avoided, because the new contracts could be executed by the commencement of the fiscal year for which the supplies are intended.

The fluctuations in the market in these times cause bidders to be extremely cautious how they set prices at low figures for a year in advance, and it is my judgment that we shall pay this year twenty per cent. more for many articles under contract than they could be obtained for in market as wanted. Some materials it is absolutely necessary to advertise and contract for, but the volume of small items scheduled could be better procured in open purchase.

Another objection to the contract system is, that contractors are bound to wait for their money till the treasury shall pass the Secretary's warrants, and the delay on this point is doubtful, and contingent upon the demands upon the treasury from other quarters, or from the will or pleasure of the Secretary to pay claimants in their order, at his discretion. I respectfully recommend that the procuring of supplies for the navy be left more to the discretion of the department than is now permitted by law, and that a competent paymaster or purchasing agent be appointed at each yard, to be confirmed by the Senate, to be subject to naval laws, and put under bonds. He should make himself acquainted with the market prices by personal inquiry and correspondence, and make all purchases for the navy required of him on the best terms. Also an inspector, to be appointed under similar restrictions, who should be a competent weigher, gauger, and measurer, to inspect all supplies which come into the yard, and certify to their quality and quantity; these officers to act under detailed instructions from the Secretary of the Navy.

I beg leave to repeat my previous recommendations for an increase of the pay of the principal clerks at navy yards.

While Congress legislated at its last session in favor of clerks of paymasters under the Bureau of Provisions and Clothing, it left unnoticed the appeal of those of the navy yards, whose duties are as onerous as any others.

I also beg leave to recommend an increase of the pay of the clerks in this bureau; when the present salaries were fixed by law the amount was sufficient to afford a good and comfortable living to those occupying the positions, but recently the cost of the necessaries of life, to say nothing of the comforts, has increased in such an unprecedented rate that it is almost impossible for those holding clerkships, and dependent entirely upon their salaries, to live even in the most economical manner. While the pay of all mechanics and laboring men has advanced with the increased cost of all articles of consumption, some of

them as much as one hundred per cent., the pay of these salaried clerks has remained the same as when established by law, at a time when all the necessaries of life were cheap and easily obtained.

The case of these officers is one of peculiar hardship, and it is hoped Congress will give it merited consideration.

I submit a statement of the progress of improvements at the several navy yards during the past fiscal year, and estimates for the next, commencing with.

PORTSMOUTH, N. H.

The works of improvement which have been completed at this yard during the fiscal year ending June 30, 1864, are: reservoir, storehouse No. 11 extension, futtock saw-mill, and building paint shop, porter's house, and knee-dock wall.

The amount expended upon these several objects during the year is, for materials, $25,692 09; for labor, $8,100 96; making an aggregate of $33,793 05. Most of these works have been completed within the amounts allotted; others have cost more than the original estimates, owing to the increased cost of materials used. The excesses of cost, however, have been less than the amounts saved on other objects, so that the aggregate cost of all the objects has been less than the original estimates.

The works which have been in progress during the year, but which are not yet completed, are: machine shop and smithery, fitting and furnishing machine shop and smithery, capstan for shears, ordnance machinery and shops, boat-house and carpenters' shop, railway, floating dry dock, and repairs of all kinds. On these objects there have been expended during the year, for materials $95,094 46, and for labor $74,244 16, making an aggregate of $169,338 62. The work upon these objects has progressed rapidly and in a satisfactory manner, but will not be completed for the amounts appropriated. There has been expended during the year, for objects coming under the head of contingent, the sum of $83,817 23.

Plans and estimates are submitted for the fiscal year ending June 30, 1866, for the following objects, viz: for reservoir and gutters, oakum store, siding mill, extension of ship-house R, railway, &c., for floating dock, machinery and tools, grading, gutters and drains, completing plumbers', coppersmiths', and tinners' shops, completing quay wall, completing mooring pier, completing extension of ship-house S, two launching-slips, and for repairs of all kinds, amounting in the aggregate to the sum of $316,250.

Reservoir, gutters, &c.—The supply of fresh water at this yard is very limited, and more is wanted to furnish the boilers in the new boat shop, and to obtain it it is proposed to construct a reservoir to receive the rain-water falling upon the roofs.

Oakum store.—The present oakum store is small, and, in part, necessarily occupied for other purposes; the large amount of work now being done at this yard renders a good and sufficient oakum store absolutely necessary; an estimate is therefore submitted for such a building as will meet the wants of the service.

Siding mill.—The operation of siding ship-timber is now performed by the slow, tedious, and expensive process of hand labor, and it is proposed to construct a mill in connexion with the futtock saw-mill now in successful operation, so that the whole preparation of the timber may be performed by aid of machinery; this will be a valuable addition to the yard facilities, and will effect a great saving in the construction of wooden vessels.

Extension of ship-house R.—The present ship-houses, built many years since, are not of sufficient length to cover the ships of the present day, and some of the new ships extend from fifty to one hundred feet beyond the upper end of the

houses, that portion being exposed to the weather and liable to injury. It is proposed to extend this house to a length proper for the size of ships now building, and the object is considered of importance.

Railway, &c., for floating dock.—The railway upon which vessels are taken from the floating dock has become much decayed and requires extensive repairs. The decks and some other parts of the dock also require repairs, and it is all-important that these works should be kept in proper working condition, as they afford the only means at this station for the examination and repairs of vessels' bottoms.

Machinery and tools.—The quantity of machinery at this yard is entirely insufficient to meet the demands for repairs of steam vessels and their machinery. An additional amount is absolutely necessary, and for that purpose an appropriation is earnestly urged.

Grading gutters and drains.—This item is much needed to prevent the accumulation of water about some of the new buildings, and to put the roads in proper condition for the large amount of heavy transportation about the yard.

Completing plumbers', coppersmiths', and tinners' shops, quay walls, mooring piers, and extension of ship-houses.—These objects have all been appropriated for heretofore, and they are all far advanced towards completion, but, owing to the great increase in the cost of materials and labor since the estimates were made, an additional appropriation is necessary for their completion.

Two launching slips.—All the slips at this yard are now occupied by ships under construction, and others are necessary to the wants of the service. This object is of much importance, and an appropriation for it is strongly urged.

Repairs of all kinds.—The amount asked under this head will be necessary for the proper preservation of the various buildings and other improvements in the yard. Under present circumstances, the demands upon this fund are very heavy, and of such a nature as to admit of no delay; the appropriation is therefore much needed.

BOSTON.

The only object of improvement which had been completed during the last fiscal year is the futtock saw-mill and building. This has been erected under contract with the patentee, and its operation has been satisfactory. The cost of the whole is $10,000.

The objects which have been in progress during the year, but which are not yet completed, are machinery for machine shop, repairing machinery for ropewalk, paving and draining new shops, coal-house for foundry and smithery, pipes for Cochituate water, water-closets, house for heavy steam-hammer, repairing and relaying drains around dry dock, extension of shear wharf, joiners' shop and paint loft, and repairs of all kinds. Upon these different objects a large amount of materials has been purchased, and the work has been pushed forward with energy, and the progress has been satisfactory.

The amount expended upon them during the year is $203,210 06.

There has been expended at this yard during the past year, for objects coming under the head of contingent, the sum of $210,150 89.

Plans and estimates are submitted for the fiscal year ending June 30, 1866, for the following objects, viz: For addition to second story of ropewalk; commencing building for sawing, planing, and working heavy wood-work for ships; two buildings slips; provision store; one set of spinning preparation and repairs of ropewalk machinery; tar pit, and for repairs of all kinds, amounting in the aggregate to the sum of $493,500.

Addition to second story of ropewalk.—The present amount of spinning machinery, and the accommodations therefor, are entirely insufficient to meet the present enormous demands upon the rope-making establishment, and it is

proposed to enlarge them by extending the second story over a portion of the laying-up room. This improvement will greatly increase the capacity of the ropewalk, and is an object of much importance.

Commencing building for sawing, planing, and working heavy wood-work for ships.—Much of the sawing for ships is now done by hand, the present saw-mill being of little power, and inadequate for the performance of the large amount of work required. It is proposed to erect a large building for the accommodation of the futtock and other sawing machinery, wood-planers, &c., where all the heavy ship-work can be done cheaply and conveniently to the building-slips.

This arrangement will be the means of saving large amounts now expended for hand labor, and an appropriation is strongly urged.

Two building-slips.—The demands upon this yard in the way of ship-building are very heavy; all the slips are occupied, and others are required for setting up new slips. This object is of much importance, and is indispensably necessary.

Provision store.—The great increase at the business in this yard requires additional store-room for provisions and clothing; the present store is crowded with the various articles belonging to this department, and to meet the demands of the service an additional storehouse is necessary.

An estimate is therefore submitted for a new building, similar to the present storehouse.

One set of spinning preparation and repairs of ropewalk machinery.—In view of the contemplated extension of the spinning-room, additional machinery will be required. That now in use requires repairs, and an appropriation for this object is deemed indispensable.

Tar-pit.—Large quantities of tar are used at this yard in the manufacture of cordage, and for other purposes, and to provide a safe and proper place for its stowage it is proposed to construct a pit, with fire-proof covering, near the rope-making establishment. This is an important improvement, both on account of safety and economy, and an estimate for the purpose is submitted.

Repairs of all kinds.—With the large amount of ship-work being done at this yard, the demands upon this item, for temporary buildings, shops, and other objects, are very heavy, and it is believed the amount estimated will be no more than sufficient to meet these demands and effect the necessary annual repairs upon the various docks, wharves, buildings, and other improvements.

NEW YORK.

The objects which have been completed at this yard during the past year are: officers' houses, water-pipes and hydrants, and cylinder for roasting coffee. The amount expended on these objects during the year is $35,068 55. These works have been completed in a substantial and satisfactory manner. The objects of improvement which have been in progress during the year, but which are not yet completed, are: dredging channels, repairs of dry dock, new derrick, removing small shears, rebuilding long dock, repairs to ship-houses, extension of sewer, quay wall, new foundry, chain-cable shop, railway, drains, paving and flagging, filling low places, machinery for machine shop, repairs of machinery, boilers, &c., repairs of engines in machine shop, repairs and increase of ordnance machinery and shops, and repairs of all kinds.

Upon these various objects there has been expended during the past fiscal year the sum of $418,542 08. The work upon these improvements has been urged forward with all possible despatch, and the progress made is highly satisfactory. There has been expended during the year, for objects coming under the head of contingent, the sum of $185,176 54.

Plans and estimates are submitted for the fiscal year ending June 30, 1866, for the following objects, viz: for continuing quay wall, receiving store, grading

and filling, drains, paving and flagging, muster office addition, completing new foundry, continuation of machine shop and iron-plating shop, launching ways, ship-house D, launching ways for steamers, joiners' shop addition, paint shop, water-pipes and hydrants, officers' houses, general increase of machinery in the yard, and for repairs of all kinds, amounting in the aggregate to the sum of $1,065,663.

Continuing quay wall.—This important work has been in progress some years, and great benefits have already been derived from the use of the portion completed, and an estimate is submitted for its continuation.

Receiving store.—An appropriation has been made for this object, and the work is in progress, but, owing to the enormous increase in the cost of materials and labor, the amount allotted is found insufficient. The object is of great importance and necessity, and an appropriation for its completion is strongly urged.

Grading and filling.—The present area of this yard is much crowded with buildings and materials, and it is absolutely necessary that more working ground should be obtained, which can readily be had by filling in the old timber dock, which is now useless and a lost space. An estimate is submitted for this object.

Drains, paving and flagging.—A system of drainage has been adopted which, as far as executed, has proved very beneficial, and for the continuation of this important work an estimate is submitted.

Muster office addition.—In consequence of the very large number of men employed in the yard, the muster office is insufficient to accommodate the officers necessary for the discharge of the duties of the office, and it is proposed to add a story to the building, for which purpose a small appropriation is asked.

Completing new foundry.—This fine building has been erected, but owing to the increased cost of materials and labor, the funds allotted are not sufficient for its completion. The building is of the utmost importance, and an additional appropriation for its completion is strongly urged.

Continuation of machine shop and iron-plating shop.—Appropriations have been made for these objects, but the sites originally intended for them are now used for building ships, and it is proposed to change the locations to the vicinity of the new foundry, and enlarge the buildings. When erected according to the present plans, these buildings will afford ample accommodations for the execution of a large amount of work. The object is considered of the first importance, and it is hoped the means will be furnished to complete it at an early day.

Launching ways for ship-house D.—The foundations for this work have been completed so that the ship now building can be launched, but funds are required for building the stone walls, and connecting them with the quay walls at the entrance of the slip. This appropriation is much needed.

Launching slips for steamers.—This yard is deficient in launching slips, and it has been necessary to build several vessels upon temporary slips, which are inconvenient and unsafe for heavy vessels; it is therefore proposed to construct some of a more permanent character, and for this purpose an estimate is submitted.

Joiners' shop extension.—The accommodations for this department are entirely insufficient for the large number of workmen now employed, and to obtain the necessary space, without encroaching upon the working ground of the yard, it is proposed to raise the present building one story, which will add greatly to the facilities for doing the joiners' work. This object is very much needed, and it is hoped an appropriation will be made for it.

Paint shop.—The present paint shop is a small, dilapidated building, unfit for the purpose, and much in the way of operations around the dry dock. It is proposed to erect a new and suitable building, and an estimate is submitted for that purpose.

Water-pipes and hydrants.—An additional number of these important ap-

pendages is required, and the necessity and utility of them are too apparent to require comment. An estimate is submitted for this object.

Officers' houses.—An estimate is submitted for houses for the ordnance officer, paymaster, and others. These officers have no quarters in the yard, and it is desirable that they should be provided with houses, so that they may at all times be at hand, in case their presence should be necessary.

General increase of machinery in the yard.—To meet the heavy demands upon this yard for repairs of steamers, the present machinery is quite insufficient, and an increase is absolutely necessary. For this purpose an estimate is submitted, and an appropriation is most urgently desired.

Repairs of all kinds.—This item embraces an amount for some especial repairs which are greatly needed, and also the amounts required for the usual annual repairs of the various buildings, docks, wharves, and other improvements, and it is believed the sum asked will be no more than necessary for the proper protection and preservation of the public property.

PHILADELPHIA.

The objects of improvements which have been completed at this yard during the past year are: extension of storehouse, extension of joiners' shop, and extension of smithery. These works have been completed for the amounts appropriated, and the sum expended upon them during the year is $30,141 24. These works were executed under contract, and the buildings have been constructed in a good, substantial manner. The works which have been in progress, but which are not yet completed, are: dredging, repairs of dry dock, and repairs of all kinds, and the amount expended upon them during the year is $52,715 71. These are all current expenses, and the work upon these objects has been executed as the wants of the service required. There has been expended for objects coming under the head of contingents, during the year, the sum of $79,407 65.

Plans and estimates are submitted for the fiscal year ending June 30, 1866, for the following objects, viz: for boat shop, machine shop, saw-mill, storehouse, plumbers' shop, crib for foundation of launching ways, brick wall around new purchase, bulkhead at new purchase, repairs of dry dock, repairs of dredger, filling in new purchase, and for repairs of all kinds, amounting in the aggregate to the sum of $285,680.

Boat shop.—The present boat shop is in the mast-house, and there is not sufficient room for the two departments, their operations often interfering with each other. It is, therefore, proposed to erect a new building for the boat-builders.

Machine shop.—There is no proper machine shop at the yard, the small amount of machinery in operation being in temporary sheds, which are small, inconvenient and dangerous. It is intended to erect a new and appropriate building, where the present and additional machinery can be put up in an advantageous position. This building is much needed, and an appropriation is strongly urged.

Saw-mill.—Nearly all the sawing at this yard is now done by hand, at great expense. The erection of a proper saw-mill will prove a great acquisition to the yard, and the saving effected by its use will soon pay for the cost. An estimate is submitted for this important object, with the hope that an appropriation will be granted.

Storehouse.—The present store accommodations are quite insufficient to meet the wants of the service. It is, therefore, proposed to extend the present store by occupying the ground now used for saw-pits. This object is much needed.

Plumbers' shop.—The shop now used by the plumbers is small and inconvenient, and an appropriation is asked to extend this building so as to furnish room for the accommodation of the workmen.

Crib foundation for launching slip.—The estimate submitted for this object is absolutely necessary to prepare the ways for launching the ship now building; without it the ship cannot be launched.

Brick wall around new purchase.—The purchase of the lot, as authorized by law, has not yet been consummated; but when the United States obtains the title to the land, it must be enclosed, and for that purpose an appropriation is asked.

Bulkhead at new purchase.—This estimate is for running a bulkhead across the new purchase, to retain the filling that may be put upon it. The appropriation is necessary to render the lots useful.

Repairs of dry dock.—The amount asked for this object is necessary for the proper preservation and safe-keeping of this very important appendage to the yard.

Repairs of dredger.—The use of this machine is required to maintain the proper depth of water for working the dry dock, and cleaning out around the wharves, and it is necessary that it should be kept at all times in a condition for work.

Filling in new purchase.—On the lots to be purchased there are some slips and low places which require filling up, and the estimate submitted will be necessary for the purpose.

Repairs of all kinds.—This item embraces the usual amount asked for repairs of the various buildings, docks, wharves, bridges, roads, fences, and other improvements, and is such as will be required to keep these different works in a proper condition.

WASHINGTON, D. C.

The only work of improvement which has been completed at this yard during the past year is paving. The amount expended on this object is, for materials, $14,205 76, and for labor, $794 24, making an aggregate of $15,000. This work has been done in a substantial manner, and affords improved facilities for the transportation of heavy articles.

The objects which have been in progress, but which are not yet completed, are dredging channels, machinery and tools, coal depot, repairs and increase of ordnance machinery and shops, and repairs of all kinds. The amount expended upon these works during the year is, for materials, $41,004 51, and for labor, $56,726 94, making an aggregate of $97,731 45.

The amount expended during the year for objects coming under the head of contingent is $168,388 10.

Plans and estimates are submitted for the fiscal year ending June 30, 1866, for the following objects, viz: For completing copper rolling-mill extension, completing storehouse for provisions, new cradle for railway, coal depot and machinery, machinery and tools, flagging and draining, dredging channels, rail tracks, and for repairs of all kinds, amounting in the aggregate to the sum of $218,300.

Completing copper rolling-mill extension.—An appropriation for this object has been made, but owing to the greatly increased cost of materials and labor the amount allotted will be insufficient to complete it. The object is an important one, as the demands upon the rolling-mill are more than can be fulfilled by the present establishment. An appropriation is, therefore, asked to complete the work.

Completing storehouse for provisions.—An appropriation has also been made for this object, but since the estimate was made the cost of labor and materials has greatly increased, and the amount allotted will not complete the building. It is an important one, and much needed, and therefore an additional sum is asked for its completion.

New cradle for railway.—This railway has been in almost constant use for

several years, and the cradle requires renewal. The railway is an indispensable appendage to the yard in repairing the numerous small vessels belonging to the Potomac flotilla, and it is of the utmost importance that a new cradle should be provided. An estimate for this object is submitted, and an appropriation strongly urged.

Coal depot and machinery.—This work has been nearly completed, so far as the construction of the wharf goes; but an additional amount is necessary to provide the requisite machinery, for which purpose an appropriation is asked.

Machinery and tools.—An estimate is submitted for an addition to the machinery and tools at this yard. The quantity now in use is not sufficient for the performance of the large amount of work required at this station, and an appropriation for this object is greatly needed.

Flagging and drainage.—The large amount of heavy transportation over the yard renders it necessary that great attention should be paid to the roads and the drainage of the grounds. The estimate submitted is considered necessary to put the surface of the yard in proper condition.

Dredging channels.—The use of the dredging machine is required for cleaning out around some of the wharves and channels to maintain a proper depth of water, and to defray the expense the estimate submitted will be necessary.

Rail tracks.—To expedite the transportation of heavy materials, manufactured articles and stores to and from the different workshops and storehouses, it is proposed to lay rail tracks in the yard. The use of this facility will effect a great saving in time and money, and it is hoped the amount asked for will be granted.

Repairs of all kinds.—Some of the large workshops require extensive repairs, and to meet that expense, and the cost of the usual annual repairs to the various buildings, wharves, docks, roads, fences, furnaces, and other improvements, the amount estimated can be judiciously and profitably expended.

NORFOLK, VIRGINIA.

The operations at this yard during the past fiscal year have been confined to the repairing of such buildings and other works as were absolutely necessary for the storage of materials and protection of the workmen employed in repairing the very large number of vessels of the North Atlantic squadron which are now constantly visiting this important station for repairs. A new caisson has been built for the dry dock, and that important work has again been brought into successful operation, as the damage done to the masonry was not such as to materially affect the use of the dock. Repairs have been made upon the victualling-house, mast-house, wharves, offices, blocks and shears, machine and boiler shop, lighters, pitch-house, gas-pipes, guard-house, foundry, &c. The work upon these objects has been prosecuted with vigor, and upon most of them it is still in progress. The amount expended under the head of repairs of all kinds during the year is $112,695 96. The amount expended during the year under the head of contingent is $28,053 33.

Estimates are submitted for the fiscal year ending June 30, 1866, for the following objects, viz: For repairs of boat-shed No. 29; repairs of timber-sheds Nos. 30 and 31; repairs of naval store No. 15; repairs of stables; repairs of carpenters' shop; repairs of buildings Nos. 19 and 37; machinery and tools; dredging channels, and for repairs of all kinds, amounting in the aggregate to the sum of $544,000.

As all the buildings in this yard were destroyed by the rebels when they evacuated the place, and as this is one of the most important stations where large numbers of vessels resort for repairs, it will be necessary to ask for large appropriations for some time to come in order to place the yard in a comparative state of efficiency. Already much has been done towards repairing the build-

ings, and a very large number of vessels belonging to the North Atlantic blockading squadron have been repaired here. The want of proper storehouses and workshops produces great inconvenience, and it is very desirable that the amount of the estimates now submitted should be appropriated.

PENSACOLA, FLORIDA.

At this yard but little has been done towards its improvement. The work has been confined to the repairs of such buildings as were found absolutely necessary to meet the wants of the Gulf squadron. It consists of repairs upon the building formerly used as a chapel and armory, building two half docks for the examination and repair of small vessels, machine shop and machinery for the same, smithery, storehouse, and wharves. These works have been so far repaired as to afford moderate facilities for repairing the various vessels visiting the yard. The amount expended during the year is $26,900 26. There has been expended for objects coming under the head of contingent the sum of $16,747 56.

Estimates are submitted for the fiscal year ending June 30, 1866, for the following objects, coming under the head of repairs of all kinds: For repairs of machine shop, repairs of storehouse, repairs of commandant's quarters, repairs of commanders' quarters, repairs of officers' quarters, and for repairs of all kinds, amounting in the aggregate to the sum of $171,000.

This yard was also almost entirely destroyed by the rebels, and thus far but little has been done to restore it to its former condition. Some small amount of machinery has been erected to meet the most pressing want of the Gulf squadron, and it is now proposed to repair a few of the buildings for the accommodation of the officers, stores, &c., and the amount estimated will probably be sufficient to meet the demands which will be made upon the yard at present

MARE ISLAND, CALIFORNIA.

The works of improvement which have been completed at this yard during the past fiscal year are officers' houses Nos. 7, 9, 11 and 13, four cisterns for rain water, boat-house and landing slip, basin and railway, Bishop's derrick, and portable engines. Upon these several objects there has been expended for materials the sum of $3,925 55, and for labor, $41,862 71, making an aggregate of $45,788 26.

The works which have been in progress during the year, but which are not yet completed, are: wharf, gradin gaud paving, drainage and sewerage, tar and pitch house, foundry, boiler establishment, &c., machinery for machine shop, two iron wharf-cranes, scows, lighters and stages, repairs of sectional dock, smithery, boiler-house in smithery, cistern and holder for gas-works, saw-mill, stables, coal-house and wharf, sea-wall, and repairs of all kinds. The amount expended upon these various objects during the past fiscal year is $274,125 17. Under the head of contingent there has been expended during the year the sum of $120,734 48.

Plans and estimates are submitted for the fiscal year ending June 30, 1866, for the following objects, viz: For continuing grading and paving, foundry establishment, completing iron wharf-cranes, smithery, tools and machinery, cistern and holder for gas-works, saw-mill machinery, coal-house and wharf, sea-wall continuation, guard-house, commencing wall at foundry, completing one-half of storehouse, paint shop, commencing timber-shed, and for repairs of all kinds, amounting in the aggregate to the sum of $348,800.

Continuing grading and paving.—This important and highly necessary work has been in progress since the commencement of the yard, and as other improvements are made this must continue in progress. An estimate is submitted for such sum as will be required during the next fiscal year.

Foundry establishment.—This work is far advanced towards completion, and a small additional amount is required to place it in a state of efficiency, for which an appropriation is asked.

Completion of iron wharf-cranes.—These important appendages to the yard have been purchased and partially set up. For completing the foundations, setting up and putting in operation, a small appropriation is necessary.

Smithery, tools, and machinery.—This establishment has been in successful operation for some time, but the increasing demands of the service require additional tools and machinery, and for that purpose an estimate is submitted.

Cistern and holder for gas-works.—This work is nearly completed, but, owing to the great advance in the cost of materials and labor, the amount allotted is insufficient, and a further appropriation is required to complete the work.

Saw-mill machinery.—The saw-mill building has been commenced, but the amount available for the object will not complete it. The great increase in cost of all work since the estimates were made renders it impossible to execute them within the amount allotted. This is a very necessary work, and it is desirable that it should be completed at an early day, and therefore an estimate is submitted for the purpose.

Sea-wall continuation.—This improvement is necessary for the protection of that portion of the yard bordering on the bay of San Pablo. It has been commenced, and an additional appropriation is necessary for its continuation.

Guard-house.—Materials have been procured for this object, and the building is much needed for the accommodation of the guard and watchmen, who now occupy temporary and inconvenient quarters. The price of labor is now so high that additional funds will be required to complete the building.

Commencing quay wall at foundry.— To afford a good landing and working ground in front of the foundry, this wall is absolutely necessary; and as it is hoped the foundry establishment will soon be in condition for full operation, it is highly important that this work should be commenced at once. An appropriation for this object is therefore urged.

Completing one-half of storehouse.—The amount of store accommodation at this yard is quite limited, and as the business of the yard increases great difficulty occurs in finding room for the storage and safe-keeping of the large quantity of stores constantly accumulating. It is therefore proposed to construct one-half of one of the stores as laid down on the plan of the yard. This will afford room to meet the present wants of the service, and the appropriation is deemed highly necessary.

Paint shop. — This building is much needed, there being no proper place provided for the painters' paint-mills, varnish boilers, &c. They are now located in a loft over a timber-shed, and as many of the materials used are of an inflammable nature, it is deemed best to have them in an isolated building, where, in case of accident, other property may not be in danger. An estimate is therefore submitted for this object.

Commencing timber-shed.—The want of proper buildings for the stowage of timber causes great loss to the government in the rapid decay of that material when exposed to the excessive alternations of wet and dry weather. An appropriation is therefore asked for commencing a new timber-shed in the vicinity of the saw-mill, which it is hoped will be granted.

Repairs of all kinds.—The amount estimated under this head will be required for the necessary annual repairs of the various buildings, docks, wharves, roads, and other improvements.

SACKETT'S HARBOR.

The expenditures at this station, during the past fiscal year, have been confined to the necessary repairs of the existing improvements. The amount expended during the year for this purpose is $598 32.

For the necessary repairs of the ship-house and other buildings, wharves and roads, during the next fiscal year, there will be required the sum of $2,000.

MISCELLANEOUS STATIONS.

During the progress of the war it has become necessary to establish temporary stations at various points, (and to meet extraordinary demands,) such as Port Royal, South Carolina, Key West, Florida, Ship Island, Mississippi, Cairo, Illinois, and Memphis, Tennessee. In its future progress probably others will be required, and means should be at the disposal of the department to meet such emergencies as they occur. For an object of this kind no detailed estimates can be made, because the expenditures are entirely dependent upon the future operations of the land and naval forces; it is therefore deemed proper and wise to ask an appropriation of $1,000,000, to meet these demands should they occur.

NAVAL ASYLUM.

This institution has been judiciously administered under its present governor, and the inmates seem contented and happy, though occasionally cases of intoxication occur, notwithstanding the rules of temperance are sedulously urged in the most persuasive and conciliatory manner. The advance in the price of all articles will necessitate a small increase over last year's appropriation in the item of "support of beneficiaries." There were, on the 1st of July, 1863, one hundred and seventy-six (176) persons, including officers and attendants, borne on the rolls of the asylum. Eight (8) beneficiaries have been admitted, seventeen (17) have died, and one (1) has been sent to the insane asylum during the fiscal year ending June 30, 1864.

The expenses of the institution for the year ending June 30, 1864, have been as follows:

Subsistence	$15,668 03¾
Clothing, tobacco, &c	7,850 05
Miscellaneous items	7,619 39
Officers and attendants	21,471 91
Total	52,609 38¾

All of which is respectfully submitted.

JOS. SMITH, *Chief of Bureau.*

Hon. GIDEON WELLES,
Secretary of the Navy.

Recapitulation of the estimate of the pay of officers and others at navy yards and stations for the fiscal year ending June 30, 1866.

Place.	Naval.	Ordinary.	Asylum.	Civil.	Aggregate.
Portsmouth, N. H.	$21,420	$3,024	.....	$13,850	$38,294
Boston	23,700	.....	.....	26,160	49,860
New York	25,200	.....	.....	26,260	51,460
Philadelphia	22,100	.....	$15,832	12,600	50,582
Washington	19,600	1,200	.....	16,750	37,550
Norfolk	17,100	.....	.....	12,900	30,000
Pensacola	17,100	.....	.....	5,800	22,900
Mare island	17,840	.....	.....	18,550	36,390
Sackett's Harbor	4,700	.....	.....	.....	4,700
Total	168,760	4,224	15,832	132,870	321,686

Estimate of appropriations under the cognizance of the Bureau of Yards and Docks required for the service of the fiscal year ending June 30, 1866.

Heads or titles of appropriations.	Estimates of appropriations required for the service of the fiscal year ending June 30, 1866.	Appropriations for the fiscal year ending June 30, 1865.
Pay of superintendents	$132,870	$125,688
Contingent enumerated	1,760,000	1,370,000
Navy yard, Portsmouth, N. H.	316,250	151,935
Navy yard, Boston	493,500	184,500
Navy yard, New York	1,065,663	669,315
Navy yard, Philadelphia	285,680	214,945
Navy yard, Washington	218,300	149,465
Navy yard, Norfolk	544,000	223,433
Navy yard, Pensacola	171,000	50,000
Navy yard, Mare island, California	348,800	224,595
Navy station, Sackett's Harbor	2,000	.....
Miscellaneous stations	1,000,000	.....
Naval Asylum, Philadelphia	5,600	5,200
Support of beneficiaries	42,000	32,000

BUREAU OF YARDS AND DOCKS, *October* 15, 1864.

BUREAU OF NAIVGATION.

Annual report and estimates for the fiscal year ending June 30, 1866.

BUREAU OF NAVIGATION, NAVY DEPARTMENT,
Washington, October 29, 1864.

SIR: I have the honor to submit the following report from the Bureau of Navigation; to which is appended the estimates of the bureau proper, those of the Naval Academy, Naval Observatory, and Nautical Almanac, and the reports of the superintendents of the two last-named institutions.

NAVAL ACADEMY.

The large increase in the number of midshipmen has led to an increase in the number of teachers. It has always been one of the peculiar advantages of this institution and of the Military Academy at West Point, that the body of instructors is larger in proportion to the number of individuals taught than in other places of learning, and this has been indispensable to that thorough and rigid system of instruction and discipline which aims to render every graduate a useful public servant. And this advantage cannot be too sedulously maintained.

The school has recently added to its usefulness by teaching the young gentlemen, during the last cruise in the practice-ships, the management of marine engines. When the views of the department are wholly carried out in this direction, and also in relation to the plan for allowing officers of the navy of all ranks to return to the academy, from time to time, to pursue special studies—after the manner of resident graduates in civil colleges—the education of the navy will be greatly extended and improved.

NAVAL OBSERVATORY.

The nautical charts and instruments still remain in charge of the Observatory, and the bureau, since its own organization, has made no essential change in their purchase or mode of distribution. I refer you, therefore, to the report of the superintendent for information on these subjects.

There is now a bill before Congress, passed by the Senate at the last session, which, if it becomes a law, will alter the mode of collecting and distributing charts.

With regard to instruments of navigation, I have taken pains to banish from the navy all those of foreign manufacture, and have succeeded to a great extent. In a short time, instruments of American manufacture will exclusively be used on board of our ships-of-war.

The new transit circle for the Observatory, mentioned in my last report, is not yet completed. The preparation to receive it is going on.

The triangulations of the clusters Pleiades and Praesepe for the important theoretical uses, discussed at some length in my preceding report, are still in progress.

The regular work of the Observatory, when the new instrument is received, will overtask the abilities of the present assistants. I therefore recommend that the means be granted to the bureau to supply the Observatory with an additional aid, and the bureau has approved the superintendent's estimate for this purpose.

NAUTICAL ALMANAC.

The work of the American Ephemeris and Nautical Almanac is kept up satisfactorily. Besides the regular annual volumes, two other books have proceeded from this office—the tables of Mercury, and a catalogue of zodiacal stars, the preparations for making the last of which were contemplated in my report, as superintendent of the Nautical Almanac, for the year 1851.

I have taken pains to push forward the theoretical work of this office, and I always kept it in view to advance the publication of the Almanac as much as possible. I mention with gratification that the extension of the Tabulæ Reductionum of Wolfers to our time star list has been carried forward up to the year 1880.

The estimates for the Nautical Almanac have, like all of the estimates of the bureau, been increased to meet the exigencies of the times, and that increase has seemed to me so just and necessary that I have not hesitated to approve of it.

PUBLICATIONS.

The articles composing the work of "Special Instructions" in the sciences of observation for the use of the officers of the navy (provided for in my last estimates, and embraced in the act of appropriation) have been, most of them, assigned, and it is very gratifying to be able to say that I have secured the services of several of the most distinguished men of science in the country. The time of the publication of this book is uncertain.

The bureau has in the printer's hands a pamphlet containing a new method of finding the time at sea. This method was conceived by Von Littrow, the director of the Imperial Observatory at Vienna, and was applied to practice by Rear-Admiral Von Wüllerstorf, in his circumnavigation of the globe, in the Austrian frigate Novara. It may be well to say a word in explanation of the principle on which this method rests.

At sea we depend principally on the altitudes of heavenly bodies for the determination of the time. Having the latitude of our place of observation, and the altitude of an object of which the declination is known, (and we generally employ the sun for this purpose,) the hour-angle is calculated by resolving the triangle contained between the pole, the zenith, and the object observed. The hour-angle of the sun gives the apparent time at the moment of observation, and the mean time is obtained by applying to the apparent time the equation of time. With some restriction this method is exact throughout the sun's diurnal course; the restriction consists in this—that in order to determine the time with the greatest accuracy, we must choose for our observation the period when the changes in altitude are the greatest, in the same manner as we determine an angle by means of its sine with greater nicety, when the angle is very small and the change in the sine is very rapid. This requisite condition is fulfilled when the sun is near the prime vertical, and consequently the farthest from the meridian. This observation of the time has for its ultimate purpose the determination of the longitude. Now, on the other hand, the determination of the latitude at sea is habitually (always in clear weather) obtained by measuring the altitude of the sun on the meridian. Thus it will be seen that the moment of determining the two co-ordinates of position are removed from each other several hours, and it is only the latter co-ordinate that results directly from an astronomical observation, while the other co-ordinate (the longitude) is determined by the solution of a problem in nautical astronomy, in which the latitude at the time of observation is used, and which must, therefore, be a computed latitude, or what we call a latitude by dead reckoning, subject to all those

errors which may arise from the use of the log and compass, or from unknown currents, and from such effects of wind and sea as can only be approximately estimated. And after the longitude is thus determined, that element itself must be carried forward by means of dead reckoning to the time of noon.

Mr. Von Littrow is said to have invented this method twenty years ago, while engaged in a nautical expedition, for the purpose of avoiding the inaccuracies and inconveniences above recited. He proposed to substitute in the place of actual altitudes near the prime vertical, differences of altitudes near the meridian, and to employ the latter in giving the time, and consequently the longitude, at the instant of observing the latitude, thus bringing the determination of the two co-ordinates to coincide in time.

Such is the fundamental principle of Mr. Von Littrow's method. It is limited, however, in its application; it cannot be relied upon when the distance of the sun from the zenith exceeds twenty degrees; and in order
errors arising from this limitation, and in order also to define precisely the degree of dependence to be placed upon every observation, a table is appended, in which is given the error of time corresponding to an error of one minute in each of the observed altitudes for all zenith distances from four degrees to fifty degrees, and for the interval of thirty minutes of time in the observations.

We recognize in navigation two classes of astronomical problems; one possessing perfect accuracy of computation, and admitting no other error than the probable error of observation; the other uncertain, and approximate only in its results. The first class is, of course, always employed when the weather and other circumstances are favorable. The second class of problems, that which gives only approximate deductions, is never resorted to except from necessity. The latter, however, serves a useful purpose by enabling the navigator to know his position more nearly than he could otherwise do, and by often affording perfect security by informing him of the limit of safety, beyond which he should not venture. Mr. Von Littrow's method belongs in general to the second class. Under the most favorable conditions it could be relied upon as the sole and sufficient means of navigation. But these conditions apply at a given time only to a comparatively small portion of the earth's surface. Where they are not fulfilled, the method furnishes only an approximate determination, and is always to be used with caution, and with a reference to the table added by the bureau.

The new reprint of the Signal Code of the United States navy is almost ready for issue.

The preparation of the new Telegraphic Dictionary is completed.

NAVIGATION.

Mr. Frye is still employed in the adjustment and correction of compasses of vessels built wholly or partially of iron. A good deal of delay and embarrassment has attended the placing of the Ritchie compasses on board of the monitors, owing to changes introduced after the compasses were fitted; not only trouble but expense has arisen from this source. Experience, however, will furnish a remedy. I am in hopes of introducing into the navy a better practical acquaintance on the part of the officers with the modes of observing, correcting, and registering compass deviations. It is desirable that this subject should receive some attention at the Naval Academy.

The supplies coming under the charge of this bureau have, as has been said before, been obtained whenever possible from American manufacturers. Among the exceptions, however, to this rule is the bunting employed in making the flags and signals of the navy. We have hitherto been compelled to depend almost exclusively upon foreign factories for this indispensable article. It certainly is a matter of regret, if not of mortification, that we should be obliged to go

abroad for the material of which the national ensign is made. I am happy to have it in my power to report that the efforts of the bureau for obtaining American bunting have been attended with partial success, and with the assurance that a very short time will elapse before our own bunting will equal in every respect that of Europe. The bunting manufactured by the Pacific mills surpasses the English bunting in beauty and fastness of colors, though it falls a little short of it in durability. When all departments of the government make use of no other than American bunting, its manufacture will be carried to perfection.

Considerable difficulty has been experienced in obtaining an adequate supply of small cordage from the navy rope-walk; it has been necessary to make purchases from outside establishments.

HYDROGRAPHY.

Charts of Gotto and Iki straits, Japan, sheet No. 2, and of the compass stations and trial courses, have been published by the bureau during the last year. A chart of Behring's sea and Arctic ocean is nearly finished; also a chart of the Ochotsk sea, which includes the mouth of the Amoor river. I have taken up the work of the La Plata Expedition, and I am endeavoring to extract something useful from the notes and drawings left by its commander. This investigation has not proceeded sufficiently far to allow me to speak with certainty of the results. I am also employed in making additions to the Danger chart of the Pacific ocean, which originated with Commodore John Rodgers, while in command of the North Pacific surveying expedition.

ESTIMATES.

The sum called for in the accompanying estimates, under the head of navigation and navigation supplies, is larger than it was last year. This increase is due to several causes.

1st. To the transfer to this head of the appropriation "for the purchase of nautical and astronomical instruments, nautical books and charts, and for repairs of instruments, and for binding and backing books and charts," which appropriation for the fiscal year ending June 30, 1865, was $101,042.

2d. To the transfer to this bureau of the estimates for the purchase of running lights and musical instruments from the Bureau of Equipment and Recruiting.

3d. To the transfer to this bureau of the estimate for the purchase of Coston's night signals from the Bureau of Ordnance.

4th. To the greatly enhanced cost of all these supplies.

Very respectfully, your obedient servant,

C. H. DAVIS,
Chief of Bureau.

Hon. GIDEON WELLES,
Secretary of the Navy.

BUREAU OF ORDNANCE.

Annual report and estimates for the fiscal year ending June 30, 1866.

BUREAU OF ORDNANCE, NAVY DEPARTMENT,
November 1, 1864.

SIR: I have the honor to submit the annual report of the Bureau of Ordnance, with accompanying estimates for the fiscal year commencing July 1, 1865.

I shall endeavor to present to the department in this paper, as briefly as possible, the manner in which the bureau has met the requirements of the service since the date of its last report, introducing at the same time such questions of ordnance detail as have arisen during the past year, and offering such suggestions for the more efficient arming and preparing our national ships for battle as have been gathered from the experience of actual warfare.

The department will find, however, that no changes are here recommended in the system of our naval ordnance which are not warranted by the most careful attention to facts and the undeniable results of well-conducted experiment; and it may be assured that each recommendation is made only after a deliberate review of the subject.

In using the terms "system of our naval ordnance," I beg to be understood as intending to embrace everything which comes within the cognizance of this bureau, even to the minutest detail, and by no means to confine their application to the *cannon* alone of our navy. So also in speaking of ordnance and ordnance stores, the same comprehensive meaning is to be applied. And in these introductory remarks, it may be proper for me to suggest the propriety of establishing by law this construction of these terms, and thus avoid hereafter all complication and difficulty in obtaining supplies for ordnance purposes.

The department is well aware of the annoyance, delay, and positive loss occasioned by the present system. To remedy this state of things, it is earnestly recommended that Congress be asked to enact that the law of 1846 on the subject shall hereafter be construed to apply to *all articles* for ordnance purposes coming under the cognizance of this bureau.

In the review of the ordnance work at the navy yards, this subject is also considered in the remarks on the system of accounts, which has during the past year occupied no little of the thoughtful attention of the bureau, with the design of providing additional safeguards against a wasteful expenditure of the public property both on shore and afloat.

The method adopted in my last annual report, of dividing it into separate headings, and treating of each subject in its distinctive character, being in many respects advantageous, is followed in the present report. It thus becomes a *résumé* of the last, and in connexion with it forms a historical record of the important part performed by the navy ordnance in suppressing the existing rebellion, and indicates the vast power at hand and in course of preparation for our national defence in the future. Quietly and unostentatiously the work has been prosecuted, while at the same time all the important questions of ordnance have been carefully examined and decided, as far as the means of the bureau would permit.

The results of these labors are given in the following pages, with the earnest hope that the department will second the appeals made therein to Congress for the several items of extra appropriations, which are sincerely believed to be indispensable. If these are granted, the bureau will be more than ever assured of its ability to provide for the wants of our navy, and to repeat, as it does here, the assertion made in the introduction to the last annual report, that not a single ship or squadron has ever been delayed in its movements for the want of ordnance or ordnance supplies.

THE ORDNANCE OF THE NAVY—1863, 1864.

Under this heading, in my last annual report, was given a detailed statement of the number and calibre of the guns belonging to the navy at the commencement of 1861, how they were distributed on board ships in service, and parked on shore, with a tabular exhibit of the number of effective cannon, of all classes added to the stock since March of that year, and remaining on hand November 1, 1863.

Since then the work of fabricating cannon of the new system, as represented by the guns of the Dahlgren model, the XV-inch guns introduced by Assistant Secretary Fox, and the rifled cannon of Mr. Parrott, has steadily progressed, so as to keep pace with the growing demands of the navy; while, at the same time, the supply of bronze howitzers and rifles has been unceasing. Hence the grand total of cannon has been increased during the year, ending November 1, 1864, by the addition of 1,522 guns of the different calibres.

The loss in guns sustained by the navy is trifling compared with the value of the services rendered by it, not only in guarding our extended sea-coast, bays, and river shores, but also in the magnificent results obtained in battle. Few guns have been *surrendered*, or abandoned to the enemy; nearly all the losses have been by the inevitable accidents of battle, as in the case of the Tecumseh and Commodore Jones.

To the total on hand there should be added seven X-inch solid shot guns, intended for heavy work against plating, and three XIII-inch Dahlgren guns, originally designed for the monitor turrets, but superseded by the modifications made in the length and thickness at muzzle of the XV-inch guns, thereby adapting them to the use of a smaller port-hole.

There are also now in process of fabrication a new class of 32-pounders and 8-inch smooth-bore guns, for the broadsides of light vessels that are unable to carry and work efficiently the IX-inch shell guns. It is likewise in contemplation to provide for such vessels a new 8-inch solid shot gun, to bear a heavy charge, in order to obtain greater penetration. The first gun of this kind has been cast, and will soon be subjected to regular experiment, the details of which are necessarily confined to the projection of a solid globe of hard iron or steel against a sample of any ordinary plating which can be used for the protection of vessels. This is one of the many diverse questions presented for solution in determining the armament of vessels built entirely of wood, but which may at any time be called upon to take an active, and perhaps a decisive, part in an engagement with iron-clads.

In the rifled ordnance adopted for naval purposes by the bureau no changes have been made, except in the introduction of one more calibre among the Parrott rifles, viz: the 60-pounder. This, as an intermediate between the 30 and 100-pounder, has been found to be of great service as a chase gun, and fully supplies the place in the armament of ships contemplated by the 50-pounder of Rear-Admiral Dahlgren's system. It is generally used as a pivot gun, and as its bore corresponds with that of the army smooth-bore 18-pounder, the round projectile of the latter is always available where high velocities are needed at close range.

In the system of bronze howitzers, and rifles for boat service and the decks of light vessels, no changes whatever have been made. Its intrinsic value is fully recognized, and whenever the accidents of service have called these guns into play, either in detached boat expeditions on our sea-coast or on board the light-draught cruisers of our inland rivers, they have done excellent service. They have also been introduced as the special armament of many transports of the War Department. As a special gun for long range in chase, the 20-pounder three-grooved rifle is preferred, and it now occupies a prominent place in the armament of the double-ender vessels.

The greatest embarrassment experienced in arming and equipping our vessels arises from the variety of calibres and the changes of battery recommended for particular ships, according to the opinions or decisions of officers who have either sailed in them or in vessels of a similar class. For it may be that a certain battery, calculated for the tonnage and deck-room of a vessel, will prove in service to be too heavy a burden; or, on the other hand, an additional gun may increase very much the efficiency of a vessel of less tonnage. And this state of things cannot be remedied so long as the requirements of ordnance are made subordinate to other details. There are certain classes of guns with determined weights, and space is required for their manœuvre on board ship. If these weights and spaces are not considered in the design of the vessel about to be built or purchased, an inferior armament is very apt to result from such neglect.

It may be said, nevertheless, that whatever battery is proposed for any vessel hitherto built or purchased, and intended for general or special service, guns of proper calibre and sufficient range to meet any requirement have always been ready at a moment's warning. And however irregular they may appear to the casual observer, a closer scrutiny will reveal the fact that all the elements which constitute effective and powerful batteries afloat are carefully and systematically arranged in the different rates.

This remark naturally leads to a review of the composition of the batteries of our men-of-war, in order that the effective power of the guns carried by each class of vessels may be understood.

COMPOSITION OF BATTERIES.

The governing rule in arming our ships-of-war has been to place on board of them the very heaviest and most effective guns they can bear with safety.

In general it may be stated, that the IX-inch are used for broadside, the X-inch and XI-inch and the Parrott rifles in pivot, the XV-inch for the monitor turrets, and the bronze howitzers and rifles for boat and deck service in shore. A few of our ships continue to be armed with the 32-pounder and 8-inch guns of the old system; but these will probably give way to the modified guns of similar classes above alluded to.

As no special changes have been made in the general arrangement of batteries since my last report, the same vessels, mentioned therein as types of their rates, may be again taken to illustrate the system of armament still in vogue.

Thus the battery of a first rate is represented by the Minnesota, carrying—

One 150-pounder rifled, } in pivot;
One XI-inch smooth, }
Forty-two IX-inch smooth, } in broadside,
Four 100-pounders, rifled, }

and four howitzers.

Of a second rate by the Brooklyn, carrying—

Two 100-pounder rifled, in pivot;
Twenty IX-inch smooth, } in broadside,
Two 60-pounder rifled, }

and two howitzers.

Of a third rate by the Eutaw, carrying—

Two 100-pounder rifled, in pivot;
Four IX-inch smooth,
Two 24-pounders, smooth, } in broadside.
Two 20-pounders, rifled,

Of the fourth rate by the Owasco, carrying—

One XI-inch smooth, } in pivot;
One 20-pounder rifled, }
Two 24-pounders, howitzers, in broadside.

And by the Nipsic, carrying—
One 150-pounder rifle, } in pivot;
One 30-pounder rifle, }
Two IX-inch smooth, in broadside, and four howitzers.

Of the monitors, by
The Tonawanda, four XV-inch;
The Onondaga, two XV-inch and two 150-pounders;
And Montauk, one XV-inch and one 150-pounder.

Of the iron-plated gunboat of the western rivers, by the Carondelet, carrying three IX-inch, four 8-inch, two 100-pounder rifles, one 50-pounder rifle, one 30-pounder rifle.

The development of the power of each individual ship named as representatives of the several rates is—

	In shot.	In shells.
First rate	2,606 lbs.	2,123 lbs.
Second rate	1,220	990
Third rate	424	343
Fourth rate	210	183
And	294	255
In the monitors—		
Tonawanda	1,704	1,320
Onondaga	1,180	930
Montauk	606	465
In the western gunboat—		
Carondelet	588	480

These figures express the weight of metal thrown for breeching purposes by the guns at a single broadside in solid shot or shells. Conjoined with these, however, are the destructive and terrible agencies of grape, canister, and shrapnell, available at all times in the general course of naval warfare, but most especially and signally so when used against uncovered masses of men. The effective power of a ship is, therefore, increased in a very great degree by these auxiliaries, which are common to both rifled and smooth-bores, excepting grape, which is not used in the rifles.

It will be noticed that, in each of the four rates of vessels above mentioned, pivot guns are associated with those of broadside, so as to meet more fully the necessity for long range at high elevations in chasing or bombardment, and at the same time to maintain a direct fire without materially altering the course of the vessel. The mechanical arrangement of the pivot carriage also enables the mounting and working with ease a much heavier gun than could possibly be handled on an ordinary broadside carriage.

These pivot guns are always placed near the ends of the vessel, and therefore do not interfere in the least with the working of the broadside.* The rapidity of fire from them is, of course, not so great as from an individual gun of broadside, but is fully sufficient for the purpose of accuracy at ranges beyond the reach of the lesser calibres. No ship can, therefore, be considered properly armed that has not a pivot gun of greater power and range than the guns of broadside. But whether a battery, consisting entirely of heavy pivot guns, would be more formidable than one of broadside alone—the aggregate weights being equal—has not yet been tried, the only effort of the kind being that of the Niagara, which has a battery of twelve 150-pounder rifles mounted in pivot, and no regular broadside guns. It is not worth while, however, to speculate on the probable results of a battery so constituted. No doubt, under certain circumstances, the peculiar merits of the plan would be fully developed; but

* An exception to this rule is found in the New Ironsides and Niagara.

whether its excellence would ever be made so manifest as to cause its adoption in lieu of the present mixed system of pivot and broadside, is a question which could only be decided under all the varying conditions of an engagement at sea.

The decisive power of the heavy gun in pivot is, however, most strikingly exemplified in the recent fight between the Kearsarge and Alabama, although the distance at which the action was fought was fully within the scope of the broadside 32-pounders of either vessel, being only about 700 yards. The water, also, was smooth, and both ships moved steadily under steam in a continuous circle around a common centre. Every condition was, therefore, most favorable for the full exercise of the offensive power of each class and description of gun used; but it does not appear, from the official reports, or the published statements of the affair, that much damage was inflicted on either vessel by the guns of broadside, the decisive work having been performed only by the pivot guns of the Kearsarge.

And these were the two XI-inch guns, mounted at either end of the ship, the light 30-pounder being too feeble to have had any bearing whatever upon the result.

There does not appear to have been the slightest difficulty in manœuvring these pivots; and although their fire was much slower than that of the broadside, yet the weight and explosive power of their shells fully compensated for any want of rapidity. For it is stated in the official reports that the total number of rounds fired by the Kearsarge in this action of one hour and two minutes was, exclusive of those from the 12-pounder bronze rifle, one hundred and sixty-three. That is, from the XI-inch, 55; from the 30-pounder, 48; and from the broadside 32-pounders, 60; equal to 163.

Throwing out the rounds fired from the 30-pounder, we have nearly an equal number from the pivot and broadside guns; but the preponderance of power is decidedly in favor of the 55 XI-inch shells, weighing in the aggregate 7,425 pounds of iron, with an explosive charge in each shell of six pounds of powder, while the total weight of metal thrown from the 32-pounders of broadside in the 60 rounds is, in solid shot, 1,920 pounds, and in shells only 832 pounds of iron, with an explosive charge of not quite one pound in each shell.

And we gather from the official report of Captain Semmes, of the Alabama, that the effect of the XI-inch shells of the Kearsarge was most disastrous. For he states that "after the lapse of about one hour and ten minutes our [his] ship was ascertained to be in a sinking condition, the enemy's shell having exploded in our sides and between decks, opening large apertures, through which the water rushed with great rapidity." This part of his report is most certainly true, if all the rest is questionable.

On the other hand, the Alabama opposed to this fire one Blakely 7-inch, or 120-pounder rifle, one 68-pounder—both in pivot, and the especial favorites of the English navy—and six 32-pounders, in broadside. The weight of metal thrown from these guns—assuming that *all* were used—is about equal to that from the Kearsarge; but it is also stated that the firing of the Alabama was much more rapid than that of the Kearsarge. This, however, together with great precision and concentration of blows, was to have been expected from a crew trained in the gunnery exercises of a navy whose boasted superiority over all others was never before so signally disproved. It does not appear that correctness of aim was much attended to by the crew of the Alabama, whilst thus delivering their rapid fire; for the Kearsarge was only hit twenty-eight times in all, and in no instance was she badly injured. Singularly enough, not a man though was killed outright on board of her, and only three were wounded.

There can be no question with regard to the superiority of the XI-inch guns over the Blakely 120-pounder, and the 68-pounder of the English pivot system, either in penetration, smashing effect of the shot, or explosive power of the shells. Hence, although the vessels were nearly equally matched as to tonnage, motive power, and number of men and guns, yet the preponderating influence of

calibre, properly disposed in pivot, and coolly and deliberately handled by American seamen, was sufficient to settle the question briefly and most conclusively; for the Alabama was sunk in a little more than an hour after the Kearsarge began firing, and the English and French navies were thus taught a lesson in practical gunnery and seamanship which they will not soon forget.

The result of this action may, therefore, be taken as proving beyond doubt the wisdom of arming our ships with a mixed battery of pivot and broadside guns, taking due care to place on board of each ship the heaviest and most powerful guns that she can safely carry and manage with ease in all weather; and whatever the object of its fire, whether it be an Anglo-rebel buccaneer, or a regular, legitimate cruiser, unless completely overmatched by superior numbers and calibre, this style of battery will never fail to vindicate the judgment which adopted it as the standard of our naval system. This seems to have been fully and immediately understood by the officers of the French navy at Cherbourg, who did not fail to avail themselves of the opportunity thus afforded them of studying the details of armament on board the Kearsarge upon her return to that port after the battle. They are entirely welcome to the information thus obtained; the lesson is merely elementary, and by no means so instructive as the one since presented for the world's investigation on the waters of Mobile bay.

THE FOUNDRIES.

The number of these establishments engaged in the fabrication of cannon for the navy has been reduced by one since the date of my last report, the Portland Company having withdrawn from their contract. The others have been fully employed in the work of keeping the navy supplied with guns of unequalled strength and beauty of finish, from the ponderous XV-inch to the light 32-pounder. No delay or embarrassment has occurred in the delivery of the cannon contracted for, and the bureau is more than ever assured of the reliability of the firms engaged in this important business.

The Fort Pitt foundry, with its immense facilities and very great experience in the art of founding cannon, was at first the only establishment able and willing to undertake the task of making the XV-inch guns. But during the past year two other foundries—the South Boston and the Scott foundries, at Reading, Pennsylvania, having completed all the arrangements necessary for the process of hollow casting—have now each a contract for this class of gun. No difficulty whatever is anticipated in the fabrication of these very large cannon, for the irons now used by the respective foundries are known to be of the very best quality for the purpose. The primary and most important element being thus assured, the remainder of the task is entirely within the mechanical ability of the foundries.

It is, therefore, no idle boast, that the cannon of the United State navy, made exclusively from American irons, are unsurpassed by those of any other nation; and this will continue to be the case so long as the enterprise of our citizens is left untrammelled, and full opportunities are afforded for the exercise of their skill in this most important art.

Besides the XV-inch guns, the Fort Pitt, South Boston, and Reading foundries are all engaged in making the other classes in use, including also the new models of 8-inch and 32-pounders elsewhere alluded to. The Builders' Iron Foundry, at Providence, Rhode Island, has just completed a contract for XI-inch guns, and is now engaged on a new one for the 8-inch and 32-pounders; while the firm of Hinkley, Williams & Co. are still engaged upon their contract for XI-inch guns. Thus the work has been steadily prosecuted during the past year, and will be continued by these foundries as fast as the demand for the smooth-bores increases.

The cast-iron banded rifles of Mr. Parrott, made at the West Point foundry, are still the only kind used in the navy, except the bronze 12 and 20-pounders

of Rear-Admiral Dahlgren. Since November of last year there have been added to the stock of these rifles on hand at the depots and in service 385 of the different calibres, including 20 new 60-pounders, making a total at present available of 1,005 guns, after deducting 23 lost or disabled by the accidents of battle. Of these thus lost or disabled, six gave way at the breech, four were broken by the explosion of shells near the muzzle, three were cracked in the bodies, two were condemned for excessive enlargement of vent, seven were lost by wreck, and three captured by the rebels. The percentage of loss by rupture and enlargement is therefore very small.

It may be remarked that no rifled gun has yet been devised which can be considered perfect, and the bureau has sought in vain among the systems of European nations and the improvements of our own country for a better gun, taken as a whole, than the Parrott rifle. Its lifetime, as fixed by the inventor, is 750 rounds, but the navy guns have in many instances shown a greater endurance.

It is true that reports are occasionally received of failures with the Parrott projectiles, (also prepared at the West Point foundry,) but these are again counterbalanced by the most favorable reports; and it is certain that, whenever a close attention is paid to details in loading and firing, these guns may be relied upon for range and accuracy. But if these details from any cause are not sufficiently attended to, the firing of no rifled gun can be considered safe or certain. At all events, whatever may be the defects of the Parrott system of rifled ordnance, no other has yet been produced which commends itself so strongly to the service; and until another and a better one is devised and subjected to the same ordeal, the bureau will continue to place its guns in the batteries of ships as important auxiliaries to the smooth-bore pivots.

The condition of endurance is undoubtedly the first to be secured in all guns, and no one expects to find this in as great a degree in the rifle as in the smooth-bore. Hence the cast-iron gun of Mr. Parrott, although strengthened by a spiral coil of wrought-iron around the locality of greatest strain, is by no means to be expected to last as long under protracted firing as a smooth-bore of the same calibre. But its probable strength when carefully used, as *all* ordnance should be, is sufficiently ascertained to avoid accidental rupture by attempting too much.

The rule of the navy is to pay particular attention to the wear of the bores and vents and to the manner of loading, especially in batteries established on shore, as will be seen from the following circular order issued on this subject:

"DECEMBER 29, 1863.

"The bureau desires to impress upon all officers who may be placed in charge of naval batteries on shore, whether co-operating with the army or otherwise, the importance of exercising great care to prevent sand or dirt from being blown into the muzzles of rifled guns, and the exposure of rifled projectiles to sand or dirt before loading.

"To guard against the drifting or whirling of sand into the bore, after the piece has been sponged and cleaned, a mask of cloth or canvas should immediately be placed over the face of the muzzle; and after the projectile is introduced, the same course should be adopted until the word 'ready' is given, when the mask is to be withdrawn."

A correct record is also kept of the number of fires from every gun, and this, in connexion with the indications of weakness shown by the impressions of the interior of the vents, is a safeguard against accidents of bursting.

Propositions have been made to supersede cast-iron for rifles (and in fact for smooth-bores also) by wrought-iron; and a heavy wrought-iron rifled gun of 7-inch bore, forged in a peculiar manner, is even now under process of trial, as

well as one of smooth-bore, designed and constructed by our distingnished citizen, Mr. John Ericsson. But the experiments have not been sufficiently advanced with either of these guns to form a reliable judgment as to the probable result, for there are many grave questions involved besides the ability to resist rupture, and these will inevitably be developed under the strain of excessive charges

For a long time the question of casting guns in a solid mass, and cooling them from the exterior, or casting them hollow, and cooling from the interior, upon the comprehensive plan of Major Rodman, has occupied the attention of the bureau; and in a paper presented to the department on the subject, under date of May 17, 1864, an opinion was expressed decidedly in favor of the latter for all the heavy guns of the navy.

As these views were subsequently fully sustained by the recorded opinions of the best authorities of the army and navy, and of the founders to whom the question was submitted, the official sanction of the department is only needed to enable the bureau to adopt this plan of founding in future all the cannon for the navy above an 8-inch calibre, after it shall have been submitted to Admiral Dahlgren. It may be remarked, that Mr. Parrott has recently determined to manufacture his heavy rifles in this way, being convinced that he thereby obtains a more solid gun, of greater uniform strength, and a surface of bore better suited to resist the action of the rifled projectiles.

It would no doubt be interesting to describe fully the process of founding cannon by both methods; but the limits of a general official report on various other subjects render this inexpedient. It is sufficient to know, however, that they casting of the enormous 20-inch cannon at Fort Pitt foundry for the army and are each perfectly understood by the men engaged in the business; and since the navy, there really would seem to be no limit to the ambition and daring of our artisans. These huge masses of iron were cast without the slightest difficulty, the time elapsing from the moment of tapping the furnaces to the complete filling of the mould of the army gun being only 22 minutes. To produce this casting no less than 105 tons of iron were melted.

This hugh cannon, having been bored and finished, and the test specimens confirming the opinion formed of the soundness of the metal in working under the tools, it has been recently placed in battery at Fort Hamilton, where it will be subjected to proof at an early day. (See note C.)

To guard the public interest, in a matter of such great importance as the manufacture of cannon, the bureau maintains the usual supervision over the work at each foundry. The officers at present employed on this duty are Commodore T. A. Hunt, Commodore R. B. Hitchcock, Commander E. M. Yard, and Lieutenant Commander W. W. Queen; Commander Yard having relieved Captain Berrien, at Fort Pitt, and Lieutenant Commander Queen, Lieutenant Commander May, at Reading. The services of these officers are of the highest value to the bureau, for with them lies the responsible duty of entering upon record the history of the fabrication of every gun, embracing therein the minutest detail of the process, beginning with a description of the metals used, and following each successive operation with unceasing vigilance, until the guns are finally finished, proved, and delivered to service.

The large experience and thorough practical knowledge of ordnance possessed by Commodore Hunt enables the bureau to confide to him the supervision of three foundries, viz: the South Boston, Providence, and that of Messrs. Hinkley, Williams & Co., in Boston. It is by no means a trifling task, but the record of the manner in which it has been performed, during a long period, is entirely satisfactory.

So also with the highly important trust confided to Commodore Hitchcock, of superintending the fabrication, at West Point, of the Parrott rifle guns; for an error of judgment, or a relaxation of the watchful scrutiny necessary to secure the most perfect guns, would be detrimental to the interests of both the

government and the founder. The duty is also laborious, as it is not only the simple casting, finishing according to the standard, and proving as in the case of the smooth-bores, but there are also the details of banding, grooving the bores, bouching the vents, and inspecting the projectiles to be attended to. In all these, however, he is seconded by the founder, and the bureau is convinced that, whenever a defective gun is met with, as in the case of those referred to elsewhere, its faulty condition could not have been ascertained by any of the usual methods, before acceptance into service.

Captain Berrien has recently been relieved from duty as the inspector of ordnance at the Fort Pitt foundry. The bureau parted with him with much regret, for his services were highly valuable, especially in the introduction of the first XV-inch guns. The promptitude with which he always carried out the instructions given him, is the best guarantee that in his new sphere of duty the department will find him a faithful and zealous officer.

PROJECTILES.

As it is of vital importance that projectiles should be properly made and adjusted to the bores of their respective guns, the utmost care is taken by the bureau to obtain the very best description of iron suitable for shells and shot, and in giving out contracts or orders, the terms exacted and the rules of inspection laid down are quite as rigid and comprehensive as in the case of contracts or orders for cannon. The wisdom of this measure has been fully proved during the existing rebellion, wherever the guns of the navy have been trained upon the enemy, either afloat or ashore.

The bureau is thus assured of having always good and reliable spherical shells and shot for the smooth-bores, whether made by contractors or at the several navy yards. The former, carefully inspected, gauged, and prepared in other respects for service, are perhaps the most efficient projectiles of their kind known anywhere; while the latter, being made from the best charcoal iron, poured and worked in a peculiar manner, so as to obtain hard and solid masses, have been found by recent experiment able to penetrate at close range any given thickness of iron armor which can be worn upon the sides of ships of war.* In fact the penetration is quite as great and uniform as that obtained with steel shot of equal weights, propelled by similar charges, the only difference being that the iron breaks after passing through, while the steel is only compressed or flattened, a result rather in favor of the iron shot, if entrance is made between decks, where men are exposed to its fragments.

During the past year experiments of the kind indicated have been quietly and systematically made with both shells and shot from smooth-bores and rifles, of all the heavier calibres, the entire results of which will, at an early day, be laid before the department for its consideration. The importance of the subject has been fully appreciated by the bureau, and it has therefore endeavored to investigate it in such a manner as to obtain the most assured facts, and in doing so has taken care to avoid all publicity, and premature discussion. The powers of the guns belonging to the navy, and in common use in the batteries of our ships, have been fairly tested against both solid and built up plates, and the conclusion reached is wholly in favor of the guns and their solid projectiles, the spherical shot for smooth-bores being, however, immeasurably superior to the elongated rifle shot in every form. That is to say, no manner or thickness of iron or steel armor that could be carried on the hulls of sea-going ships will resist the impact of solid spherical shot fired from the heaviest calibres of the navy, at close range, with appropriate charges of cannon powder. This

* In 1862 experiments were made here in casting *chilled* shot, in the same manner as subsequently tried in England in 1863. The results were, however, unfavorable, and the idea was abandoned for the one above mentioned.

result has been reached by a course of well-conducted experiments in the fabrication of simple globes of iron, and in the face of recorded opinions of experts; for it was generally accepted as an established fact that it was impossible to cast a spherical shot of large diameter which would be *solid* throughout. It is now known, however, beyond any question, that it is easy to cast a XV or XX-inch shot which will be perfectly sound and solid from circumference to centre of figure, and one of the former has resisted without breaking 222 continuous blows of an 8-ton steam-hammer. This being decided, the solution of the remaining elements of the problem of guns *versus* armor is of easy process; for, thanks to the skill of our artisans, the cannon required to hurl these compact masses of iron, with the high velocities due to heavy charges of powder, are readily obtained (See Note A.)

In the fabrication of spherical shells the iron used must be sufficiently strong to resist the shock of discharge; otherwise they are broken in the gun, to the manifest injury of the bore. The good quality of the iron is also necessary to the proper adjustment of the fuze, that most indispensable adjunct to their effectiveness, upon which depends entirely the development of their power. So also with shrapnell shells, by far the most destructive missiles which can be used against uncovered troops beyond the effective range of grape and canister, and which are now supplied to all the guns.

From the foregoing remarks, it is seen that there is nothing in the economy of ordnance that claims in a greater degree the attention of the bureau than this subject of projectiles. It is not only necessary that the supply should be kept up, but also that every care shall be taken to obtain the very best, to prepare them in the most approved manner, and to adapt them to the particular service for which they are intended; otherwise, the sums expended in their purchase and manufacture would be a most wasteful expenditure of the public treasure.

With the rifled projectiles, however, it is hardly possible to exercise the same scrutiny as with the spherical; for these are, with the exception of a few made at the ordnance yard, on the plan of Rear-Admiral Dahlgren, the patented property of private citizens, from whom they are ordered from time to time to meet the wants of the service. Under such circumstances the bureau is obliged to confine itself to the ordinary inspection as to size, weight, and calibre.

Besides the Dahlgren rifle projectiles just mentioned, and which are only used in the *bronze* rifles, those of Parrott, Hotchkiss, and Schenkl are furnished almost exclusively for the iron guns. Other kinds have been tried, but hitherto with far less success than either of these just mentioned; and until something better is presented, they must continue to serve the necessities of our rifled ordnance.

As a special agent at long range, under favorable circumstances, these rifle shot or shell will no doubt continue to be the most effective. But under the varying conditions of an engagement at sea, where there is a complicated and deceptive movement of the platform upon which the gun is placed, the accuracy of flight, and extreme range claimed for them by their advocates as against the spherical, render their effectiveness extremely uncertain. For if perfectly sure to reach the point aimed at, within distances beyond the range of the smooth bore, it is evident that the slightest change of elevation, or of lateral direction of aim *at the time of firing*, will inevitably cause them to miss that point. Again, in *ricochet*, especially at sea, the elongated rifle projectile is perfectly worthless as compared with the swift and smoothly bounding spherical shot or shell, fired at low elevations from the smooth-bores.

Grape and canister furnished for all the smooth-bores, but not for the rifles, as above stated, do not require that extreme care, in preparation for service, as the other projectiles. They are, nevertheless, skilfully adjusted to the calibres of the guns, and, when used at proper distances, are exceedingly destructive to exposed troops, or the hulls of boats and light crafts. They are employed at

distances varying from one to three hundred, and never beyond four hundred yards, under ordinary circumstances; but there is upon record an instance in the Crimean campaign where the Russian frigate Vladimir used grape from her 10-inch guns at a distance of 1,200 yards, the elevation being twenty-three degrees, with terrible effect upon the French reserves, moving to the assault of the Malakoff. Similar effects have resulted during the present war from the use of grape from navy guns at long range; and in the recent memorable affair in Mobile bay, the guns of the rebel forts were completely silenced, and the embrasures cleanly swept by the fire of grape and canister from the guns of the passing ships; thus settling the question of the ability of wooden ships to pass a fort even at close range.

GUNPOWDER AND NITRE.

In my last annual report the department was informed that, in order to meet the wants of the service, it had been necessary to order no less than 2,980 tons of gunpowder during the period elapsing from March 1, 1861, to the date of that report, and that this large amount was readily obtained from the several powder-mills in the loyal States, only 44 tons of it having been purchased from other sources.

Since then the consumption of this indispensable article by our squadrons in service, and for experimental practice, has compelled the purchase and manufacture of 1,325,000 pounds of powder, and 575 tons of nitre, 500 tons of the latter being *domestic*, and supplied entirely from the New Haven chemical works, the only establishment that has yet undertaken its manufacture for the navy.

The number of mills engaged in the fabrication of powder for the navy has been diminished by one since my last report, so that the only present sources of supply are the works of Messrs. Dupont, and those of the Schaghticoke, Hazard, and Union Powder Companies. Their product has, however, been quite sufficient to supply the demand, although frequent explosions have occurred to retard their operations. The excellence of their powder is well known, the manufacturers being most zealous in their endeavors to satisfy the standards of strength, density, and hygrometric qualities fixed by the bureau.

Uniformity in the size of grain in the different grades of powder being most essential, a system of sieves was devised in 1852, to regulate the granulation, and prevent too great an admixture of small and large grains, which, in our service, is not believed to be favorable to the proper development of strength. Until the introduction of rifled cannon, and the larger calibres of smooth-bores, the navy powders were divided into two classes—cannon and musket—and these sieves answered the purpose for which they were intended; but experiments having shown that a sufficiently high velocity, with less proportionate strain upon a rifle gun, could be obtained with powder of a larger grain than the ordinary cannon powder, the kind known as No. 7 was finally adopted. This size of grain, however, could not be so well regulated by the sieves then in use, and anomalies were constantly occurring. In order, therefore, to reconcile the differences, and at the same time simplify as much as possible the manufacture, the question of changing the sizes of the holes in the sieves, with the view of approaching more nearly the *natural* granulation resulting from the process of manufacture, was submitted to the powder men and ordnance experts. Their decision was unanimous in favor of the change, and the bureau accordingly gave the necessary directions, at the same time ordering the nomenclature of the navy powders to be in future, rifle, cannon, and musket.

From this change the most beneficial results are anticipated, inasmuch as it facilitates the manufacture, and reduces the risk of loss to the makers, and consequent delay to the government, which is apt to arise from a want of conformity to the standard granulation.

The use of the *mammoth* grain in navy guns has been entirely abandoned; experiment having shown that in the XV-inch guns, for which it was specially designed, a better result is obtained with thirty-five pounds of the ordinary cannon than with fifty pounds of the mammoth powder, and this charge (fifty pounds) of the latter cannot all be burned in the gun.

The experience of the past indicates that, even with the limited number of mills in the loyal States, an ample supply of powder can be manufactured by them, *provided* the nitre is attainable. To depend, however, for a supply of this article from abroad, or of even the necessary bases from which it is prepared, is, to say the least, highly injudicious; for in case of a foreign war, it is certain that the supply would be immediately cut off. I feel it my duty, therfore, to bring the subject again to the notice of the department, and earnestly suggest that Congress be requested to make some special provision by law for the encouragement of the production, throughout the country at large, of this prime essential to our national defence. The process is simple, and fully within the means of our farmers and citizens generally, and the product might be received, at a fair valuation, in lieu of a portion of the taxes.

It is to be regretted that the example of the New Haven chemical works has not been followed by other establishments, as these works have succeeded in making an excellent article of domestic nitre, from which very good powder is now prepared for the navy; but an impetus of some kind is wanted to induce a more extended manufacture, and this it is believed will be best given by judicious ligislation on the part of Congress. As regards the prospective value of this business, it should be remembered that the expenditure of nitre is much greater in time of peace than during war—vast quantities being consumed in the arts and in civil engineering. This may be inferred from the following statement of the annual consumption in the United States since 1854, as obtained from the reports of the principal brokers in Boston:

1854	90,000 bags.
1855	105,000 "
1856	75,000 "
1857	80,000 "
1858	70,000 "
1859	111,000 "
1860	64,000 "
1861	105,000 "
1862	89,000 "
1863	84,000 "
1864 (estimated)	60,000 "
the consumption up to the present date of 1864 being about	40,000 "

The attention of the bureau has also been invited to the results, said to have been obtained recently in Europe, with gun-cotton prepared in a peculiar manner, and it is ready to make trial of its properties, as compared with gunpowder, whenever the samples ordered are received. One fact, however, connected with the use of this material is certainly an objection to its general use, and that is the liability to explode at uncertain and low temperatures.

GUN-CARRIAGES.

There is probably no part of the ordnance equipment of our navy that has been so little changed from the old designs as the ordinary wooden broadside carriage. In all its essential features, it is the same to-day as in the year 1750. In fact, the only modifications consist in the removal of the rear trucks and substituting a vertical friction-piece on the bracket to resist the movement of recoil, and the appliance of a breast sweep, as a pivot, in lateral training. The ests of service have not indicated any other changes. The material, however,

is objectionable on account of its inevitable decay, liability to warp and shrink, and the disabling effects of its flying splinters when struck by shot or shells. Hence, in my report of last year, the subject of *iron* carriages was adverted to, and the attention of the department called to the results obtained with the iron carriages of the New Ironsides. Since then a broadside carriage of iron has been constructed and subjected to proof firing, at the ordnance yard in this city; and the bureau is convinced, from this experiment, that for all practical purposes, and especially on the score of economy, carriages made of iron can be safely introduced. It has accordingly ordered the construction of fifty IX-inch carriages, and also a sufficient number to mount the improved class of 8-inch and 32-pounder guns. This will not create a waste of the stock of wooden carriages, as those of IX-inch will be placed in the batteries of new ships, and new carriages are in any case necessary for these 8-inch and 32-pounder guns, whose dimensions differ from the old models.

During the recent naval battles in Mobile bay, a chock, designed by Captain Alden, to assist in checking the recoil of the IX-inch guns, under the action of heavy charges, was tried on board the Brooklyn, and has been recommended for general use. But as a rule it is best to avoid a complication of details in the manœuvre of cannon on board ship, and additions should only be made for special occasions.

The pivot carriages, as at present arranged, seem to meet fully the requirements. The recoil of the guns is easily controlled by the compressors, while the movement in training is steady, and readily performed. Wood for these carriages is also quite as objectionable as for those of broadside, and the bureau contemplates changing them for iron ones upon the plan of those on board the Ironsides, with, however, some important modifications, especially in the manner of compressing. The detail of manufacture in the broadside carriage is quite simple, and not more expensive when made of iron than of wood; but in the pivot carriage the difference in cost is somewhat in favor of wood, and the exorbitant price of iron has hitherto prevented the bureau from making the necessary purchases, while the stock of timber on hand for these carriages is large, and cannot be economically used for other purposes, as it is all cut to dimensions.

The iron-carriages of the monitors still continue to work satisfactory, and are, no doubt, strong enough to sustain any amount of protracted firing.

No changes have been made in the details of the carriages for boat and field howitzers, and it is very doubtful whether any modifications can be suggested which would give better results. In general, the plan may be considered perfect, and its excellence is admitted by other navies.

From the above statements it will be seen that the guns of our navy are properly mounted on carriages specially adapted to each particular class; but much difficulty is sometimes experienced in placing suitable guns on board a given ship, for the want of sufficient room. The custom has been to build a ship, apportion the space for provisions, water, engine, boilers, and coal, cut the hatches of every imaginable size from one end of the decks to the other, and then call upon the bureau for an armament suited to the tonnage and size of the ship; and until recently no detail has ever been modified to accommodate the wants of the ordnance. Hence the carriages must either be shortened so as to work clear of the hatches, or fewer guns, or guns of lighter calibres and shorter carriages, must be provided, to the manifest detriment of the power of battery. The only corrective of this evil is to view the man-of-war as a huge gun-carriage, and to make every other question subordinate to that of ordnance and its accommodation. That is to say, whatever may be the tonnage of the ship about to be built, a certain proportion of this tonnage must be devoted to the guns and their appliances; and after the calibre and weight of battery, according to that proportion, have been decided upon, sufficient deck-room should be provided

for its carriages, as well as proper magazine and shell-room; otherwise, the order of things is reversed, and the power of the ship proportionally lessened.

To obviate these difficulties as far as possible, the bureau has prepared for general use a set of diagrams showing the minimum space required for working each class of gun; and these have been approved by the Bureau of Construction for future guidance in arranging the decks so as to receive the proper batteries.

THE ORDNANCE WORK AT THE SEVERAL YARDS AND STATIONS.

PORTSMOUTH, N. H.

The supervision of the work at this navy yard is at present intrusted to Captain J. R. Goldsborough, who relieved Lieutenant Commander Sicard. It is still confined principally to the construction of carriages, in which business it probably excels the other stations; and although the facilities for preparing the ordnance equipment of a ship are moderate compared with those of Boston or New York, still they are found to be amply sufficient for the limited number of vessels usually prepared for sea at that place.

At the suggestion of the bureau, the department established some time ago a battery on Seavy's island for the defence of the harbor, manning it with contrabands. The training of these men as artillerists will no doubt prove advantageous, and it would perhaps be well to extend the plan to other localities along our northern seaboard, not only as a measure of harbor defence, but as schools of practice from which well drilled men may be obtained for service on board ship.

BOSTON AND NEW YORK.

At these navy yards the bureau has its principal depots of ordnance and ordnance material and stores for the supply of our squadrons, together with the most enlarged facilities for the preparation of batteries. Although the wharves are constantly crowded with ships of all rates, no delay has ever been permitted to occur in filling their requisitions; for the manufacture and preparation of shot and shells, of gun-carriages with their appliances, and all the manifold details of equipments and stores, is unceasingly going on, so that it not unfrequently happens that the battery of a new ship is ready for her before she is launched.

It is also most creditable to the ordnance establishments of these yards that in no instance have they failed to meet the very heavy demands constantly made upon them for supplies, not only from our fleets, but very often from the other yards and stations, entailing a great amount of labor in forwarding by rail and water.

At New York, however, a greater amount of ordnance work in the preparation and shipment of stores, and the outfitting of ships, is carried on than in any of the other navy yards, and consequently a larger space is required, not only for these purposes, but also to park the multitude of guns belonging to the batteries of vessels, or needed as a stock. To meet this necessity, and as the old gun park has been occupied by the Bureau of Yards and Docks for the erection of large general storehouses, this bureau has, under the recent authority of the department, commenced the filling in of the unoccupied marsh adjacent to the cob-dock and opposite Williamsburg, making it in fact an extension of this dock in a southerly direction. When this great work is completed, the bureau will there have ample room for the accommodation of all the workshops and storehouses needed for ordnance purposes, and besides a park for 2,000 cannon, with all the requisite appliances for sighting and otherwise fitting them for

service. This will completely relieve the navy yard proper of all ordnance work, and leave it entirely unembarrassed in the prosecution of other business.

The money appropriated at the last session of Congress for powder tugs has been used for that purpose, and the bureau has now two fine vessels built at Portsmouth, which perform excellent work, not only as powder boats, but also in towing and other dock-yard service.

PHILADELPHIA.

The limited space occupied by this navy yard, although situated in the greatest manufacturing city of the United States, has necessarily restricted the ordnance work to the simple preparation of the batteries of ships. It cannot, therefore, strictly speaking, be considered a manufacturing depot for ordinance stores; but within its capacity it has never failed to respond to the calls made upon it, and the bureau is well assured that, if at any time an extension of room in this yard is possible for ordnance purposes, the eminent skill of the artisans of Philadelphia will be developed in the production of work unexcelled by the mechanics of any other locality. This yard has, moreover, the advantages of an abundance of coal and iron near at hand, with a large foundry at Reading to supply the guns, and a well-located magazine at Fort Mifflin for powder and shells; while a few miles beyond the magazine, on the river line, are the important powder mills of Messrs. Dupont & Co., from whence to draw supplies.

WASHINGTON AND OTHER ORDNANCE DEPOTS.

As a special establishment, embracing not only the casual outfit of a vessel, but also the manufacture of boat guns, carriages, laboratory stores, and the highly important experiments upon every conceivable idea of ordnance improvement, the depot in this city, now generally known to the service as the "ordnance yard," is in some respects the most important.

Organized under many difficulties, and with exceeding labor and perseverance, by my predecessor, the distinguished officer at present in command of the South Atlantic squadron, it has not only furnished the standards which govern the work at all the yards and foundries, but it has also proved the safeguard of the service against the nostrums and visionary improvements of would-be inventors and speculators. Its experimental batteries and records are the crucial tests to which we submit every one of the great questions which command at any time the attention of artillerists at home and abroad; and the satisfactory manner in which they are solved is exemplified by the condition of our naval armaments. But especially is the service indebted to this depot for the high excellence of those indispensable details of ordnance embraced in the products of its laboratory, such as fuzes, primers, percussion caps, fire-works, and small-arm ammunition, besides all the ammunition for boat and field howitzers.

The limits of this report will not permit an extended recital of the various resources and work of this interesting and important station. Nor is it necessary, perhaps, for their character is well known to the department and the country. The estimates for its support are considered as most essential, and should rather be increased than diminished.

During the past year the naval depot at Fortress Monroe has been transferred to the naval magazine at Fort Norfolk, that building, with its appurtenances, having been finally rendered up by the army to the navy for that purpose. In conjunction with the frigate St. Lawrence as a store-ship, it now remains as the regular depot for supplies of the Atlantic Blockading Squadron, under the immediate command of Commander D. Lynch. For the ordinary requirements of the squadron it is found to be amply sufficient; but for extended operations the bureau has been compelled to resort to the dangerous and extremely expensive arrangement of chartered vessels as store-ships.

At Baltimore sufficient provision is made to supply vessels arriving at that station for casual repairs; and for the Mississippi squadron a depot is established at Mound City, Illinois, to which are forwarded all needful articles for distribution.

For our squadron in the Pacific ocean an ordnance storehouse is located in the navy yard at Mare island, California, whither consignments are made from time to time, as opportunities offer. This course is necessarily adopted, for the lack of proper facilities in that quarter for the manufacture of stores and munitions of war. There are now, however, on hand at Mare island guns enough to equip, if necessary, a large fleet, together with munitions of war for naval purposes of all kinds.

To meet the wants of our squadrons in the South Atlantic, East and West Gulf, ordnance supplies are always to be found at Port Royal, Key West, Pensacola, and New Orleans, ashore and on board ship; and every effort is made by the bureau to make the system of supplies as perfect as possible, and to avoid the enormous expense of chartered vessels on demurrage.

If the permanent maintenance of our present fleet stations is contemplated, I would respectfully urge upon the department the propriety of recommending to Congress an additional special appropriation for an ordnance depot at the rendezvous selected for each fleet.

In concluding this part of my report, I feel it my duty to mention favorably to the department the officers who have been employed upon ordnance duty at the several navy yards and stations. They have all faithfully performed the tasks assigned them, and assisted the bureau in the heavy responsibilities resting upon it, each according to his respective station.

At Portsmouth, New Hampshire, Captain Goldsborough has been in charge during the past year; at Boston, Commodore Missroon; while at New York several changes have been made since Captain Drayton was assigned to duty as fleet captain of the West Gulf squadron; at present the office is in care of Captain Gansevoort.

At Philadelphia the duties are assigned to Commodore Hoff; and the management of the ordnance yard, together with the conduct of all experiments, and the very important duty of revising the "ordnance instructions," are confided to Lieutenant Commander Jeffers.

At Mound City, the reception and distribution of supplies is intrusted to Captain Stanley; and at New Orleans, as the depot of the West Gulf squadron, to Acting Master Starrett, an officer of great zeal and activity.

Finally, it is but just that the bureau should pay a passing tribute to the memory of a most valuable officer, Gunner John Clapham, recently deceased. For many years he continued to govern and manage the naval laboratory in this city with skill and success; and was most remarkable for the conscientious manner in which he discharged his dangerous and important duties. The bureau has lost a most efficient assistant, society an honorable and Christian member, and the country a loyal citizen and devoted servant.

SMALL ARMS.

These, on account of the limited number used in the navy, and the rather infrequent occasions for their employment in sea engagements, have usually been considered as secondary in importance to the great guns. This is perhaps natural, if the operations of single ships or squadrons were confined to battle on the high seas alone, ship against ship, or fleet against fleet. But in the peculiar warfare of the present rebellion, where the small-arm is constantly brought into play during boat expeditions, and the contingent co-operation of seamen and marines with the army, it rises in importance, and commands the attention quite

as much as that more ponderous and terrible exponent of national power, the cannon of battery.

Impressed with this view of a subject which forms so important a part of the economy of ordnance, the bureau has diligently pursued its inquiries in every direction for the purpose of obtaining an arm which would combine the several qualities of range, accuracy, and sufficient weight of ball, together with endurance, simplicity in use, and perfect adaptability to the varied circumstances under which it would be most likely to be brought into action. The difficulty in making a good selection, however, has not been found in the paucity of models, for these have been presented in almost every conceivable form that the ingenuity of inventors could design, each claiming certain extraordinary qualities for his plan over all others. The embarrassment, in fact, has arisen from this very multitude of designs.

I here allude, of course, to breech-loaders, and those of the lighter description, as the carbine or short rifle; for the muzzle-loading musket, whether smooth or rifled, is easily obtained, there being but the single question of calibre to be decided in making a choice for use on board ship; and we have now in service 10,000 muzzle-loading rifled muskets of the heavy calibre of sixty-nine hundredths of an inch, known as the Plymouth musket, besides a large number of army pattern, calibre fifty-eight hundredths of an inch. These, with a few smooth-bore army muskets and captured Enfield rifles, constitute the stock of muzzle-loaders.

The advantages of a muzzle-loading musket of heavy calibre, with sabre bayonet attached, are best experienced in army operations, provided they are used by veterans well drilled and accustomed to deliver their fire with precision. But for naval purposes it may well be questioned whether it is not better to abandon the muzzle-loader, with its paper cartridge and percussion cap, and substitute therefor some well-conditioned breech-loader, with a barrel of convenient length, and the metallic cartridge. This subject is now, in fact, engaging the attention of military men everywhere; and there are strong indications that the current of professional opinion is setting against the muzzle-loader with so much force as to threaten its removal entirely from, at least, a very large proportion of our regiments.

The points of advantage gained by the breech-loader are—

1. Facility of loading.
2. Certainty and rapidity of fire.
3. Lightness, and consequently less weight to be carried in marching.
4. Impossibility of multiplying the loads under any circumstances.

Assuming that the piece selected is made accurately in its different parts, and the ammunition fixed in metallic cartridges, the rim of the base enclosing the percussive fulminate, the first and second of these advantages are self-evident, while the third is of course governed by the calibre. The fourth is no less self-evident, for the cartridge of the breech-loader cannot be entered at the muzzle, only one can be placed at a time in the opening at the breech, and in the event of a failure to explode, generally the cartridge is withdrawn by the movement of cocking and opening the breech. Singularly enough, the lesson of one of the greatest battles of this war proves how immensely important this last-mentioned advantage of the breech-loader really is.

Upon the field of Gettysburg, after the battle, an immense number of muzzle-loading arms were picked up, both of our own and the rebel soldiery. Nearly all of these were found to be loaded, and this of itself is, perhaps, not to be wondered at; but the curious fact was discovered, that about one-half of the number loaded contained *two* loads each, one-fourth from *three* to *ten* loads, and the remainder one legitimate load; and in one or two instances as many as 32 and 42 bullets were found in the barrels! (See note B.)

There was excessively hard fighting where these guns were found, it is true;

but to what are we to attribute this most remarkable waste of effective strength on the battle-field? Certainly we are led to believe, while reflecting upon this extraordinary disclosure, that the calculations of Gassendi and Piobert, as to the number of cartridges required to kill one man in battle, are by no means erroneous; the former asserting that of 3,000 balls (fired) only one ever hit; the latter, that from 3,000 to 10,000 cartridges were usually expended in killing or wounding one man. But these calculations are, no doubt, based upon the number of cartridges actually fired; such a thing as repeatedly loading and never firing could not have been suspected by these high authorities while engaged in analyzing the results of modern wars. The discovery of this inherent and certainly mortifying defect in the simple use of the standard arm of infantry regiments has been left to the experience of a people celebrated for their skill in all the sciences and arts, and in none more so than that of war and its manifold details.

By reference to my last annual report, the department will see that this question of providing a suitable arm for naval purposes has been one of great concern to the bureau. Primarily, I have contemplated the use of a single calibre alone; and this idea, if practicable, will necessarily do away with the borrowed and captured arms now on hand; but the advantages gained will more than compensate for the seeming loss. I desired, also, to extend the system so as to include a belt-pistol for boarding purposes, because the revolver, in the hands of seamen, is a most useless and, generally speaking, dangerous thing. For these reasons, the matter has been constantly kept in view during the past year, and I am gratified in being able to say that my exertions in this direction bid fair to be crowned with success. For a carbine (short rifle) and a breech-loading pistol of the same design and calibre have recently been presented, which meet all the requirements of effective weapons for navy use more fully than any I have yet seen. They are about to be subjected to trial, and if the results are satisfactory, a proposition to adopt them as the exclusive small-arms of the naval service will be submitted for the consideration of the department. In these, only the metallic cartridge will be used; all the doubts as to its safety, economy, durability in transportation, and security from dampness, having long ago been settled and removed by the tests of actual service. Indeed, the day appears to be not far distant when no other kind will ever be used; for the readiness with which the breech-loader is charged with these cartridges, even while the soldier is advancing, enables him to keep his eye fixed upon the objects of fire, let them change ever so rapidly in distance or direction; while to the sailor, either aloft, on deck, or in the casual requirements of action, in boats approaching the beach, or moving between the banks of hostile streams, the advantages of this detail are inestimable. For instance, taking the last-mentioned contingency as an example he has nothing to do, in the event of discovering an enemy on either side, than to trail or throw his oar athwartships, fire, reload, and resume his oar or continue his fire without rising or moving from his seat.

GUNNERY SHIP.

Again the bureau respectfully but earnestly recommends to the consideration of the department and of Congress the absolute necessity of providing at once for the establishment and maintenance of a thoroughly organized gunnery ship—an institution specially and wholly set apart for the training of officers and men in gunnery and all its details. The necessity of this measure is so well understood and appreciated by the service at large, that it needs no further special recommendations than are contained in my last annual report. No matter how perfect may be our preparations, or how elaborate and precise the methods we pursue in arming and equipping our naval batteries, after all we

must depend in the hour of battle almost entirely upon the individual intelligence of the captains of guns. Hence a school of practice is needed, in which these men my be thoroughly and efficiently drilled and qualified for the important duties of seamen gunners. *Well enough*, as demonstrated by the results of naval operations during the existing rebellion, is a good motto; but *better still*, is a far more cheering and welcome inscription to be written upon the battle-flags of the future.

The text-books, the teachers, the implements of science, the examples of the present and the histories of the past, are all at hand, and available for the foundation and continuance of a system of education for our seamen, which will result in incalculable benefit to the country; and it only requires the enlightened legislation of Congress to give life and certainty to its organization. I do not pretend to give the details here, but only urge the initiatory appropriation.

To counterbalance as far as possible the want of some such school of practice, the bureau has endeavored to make the Ordnance Instructions for the navy as comprehensive, and at the same time as simple in their details, as the manifest wants of the service indicated; and this more especially in the exercise of the great guns, with its concomitant system of supplies of powder, shells, and shot. Submitted to the navy in a revised and extended form during the past year, as containing all the instructions deemed necessary to prepare for and engage in battle, the bureau awaited with much anxiety the result of the first general action, in order to know how much dependence could be placed upon the rules laid down in this most important text-book.

Therefore, immediately after the affair in Mobile bay, the bureau addressed a letter to Rear-Admiral Farragut on the subject, requesting him to direct the commanders of the ships engaged to report "the result of the firing, and to state, freely and fully, whether they discovered anything in the service of the guns, magazines, shell-rooms, or in the projectiles used, which was in the slightest degree imperfect or requiring modifications."

The answers of the gallant men who participated in this most remarkable of all naval achievements are now before me; and it is with no little pride and gratification that I place upon the record of this official report the following extracts:

In the opening paragraph of his reply, Captain Drayton, fleet captain and commanding the Hartford, says: "I beg to state that, after careful inquiry, I can discover few things which would be improved by a change, and those few were not particularly brought out on that day," (5th August.) He then calls the attention to several minor matters of detail requiring modification—all of which, emanating from such a source, will be attended to—and closes his paper with the following sentences: "In conclusion, I beg to say that, during the fight of the 5th August, ammunition was supplied in sufficient quantities without the least difficulty, and that there was not one instant's delay in the firing from any cause connected with faulty materials, or confusion anywhere; from which it may be inferred that both drill and ordnance appliances and supplies are all-sufficient for every exigency."

Captain Jenkins, of the Richmond, after stating the number of each kind of projectiles used on board his ship "in the actions with Fort Morgan and its outlying batteries, and with the late rebel iron-clad steamer Tennessee, on the morning and forenoon of August 5, 1864," says: "The heavy concentrated fire into this fort and batteries from the three leading ships (Brooklyn, Hartford, and Richmond) prevented the arrival at any correct opinion as to the effect of particular projectiles or guns. The general result, however, was the early abandonment by the enemy of his guns. The men stationed at the light-house and water batteries were plainly seen leaving their stations for cover soon after the three leading ships opened; and for a period of ten or fifteen minutes, while

this ship was lying close under the light-house and water batteries, not a shot was fired at us, as far as could be discovered.

"The howitzers in the tops, from their elevated positions and proximity to the open batteries, did most effective service, so long as there were any men in the enemy's batteries."

In speaking more particularly of the bombardment of Fort Morgan, in which the firing was confined, by order, to the three rifled guns, he describes the firing as being "generally good and effective." He also remarks that "the navy and Bormann fuzes used in both actions seldom failed, so far as was observed;" and concludes by saying, "this ship, having been in commission for the whole of the four years last past, and for more than a year of that time, previous to the attack on Mobile, under my command, with the able assistance of the executive officer, Lieutenant Commander Edward Terry, all the necessary and practical appliances for facilitating while in action, and insuring a rapid and ample supply of powder and projectiles, had been introduced and practiced on board long prior to the action of the 5th of August." The result of which was that the Richmond fired on that day two hundred projectiles from her several guns in "a period of from twenty-five to forty minutes"—say five rounds per minute.

Commander Strong, of the Monongahela, writes, "that nothing in the service of the guns, magazines, or shell-rooms was imperfect. The effect of the firing while passing the forts could not be ascertained, as several ships were firing at the same time."

Lieutenant Commander Perkins bears testimony in his reply, that on board the iron-clad Chickasaw he discovered "*nothing* in the service of the guns, magazines, shell-rooms, or in the projectiles used, which was imperfect."

Lieutenant Commander Jouett, of the Metacomet, is equally explicit. He states that "everything worked in the most satisfactory manner; though working and fighting both sides, the magazines, shell-rooms, and shell-whips kept the guns more than supplied." And Lieutenant Commander Gherardi, of the Port Royal, makes the following brief and emphatic reply:

"I have the honor to inform you that during the engagement of the 5th August, everything worked admirably in the service of the guns, magazines, shell-rooms, and projectiles used."

In the report of Captain Marchand, commanding the Lackawana, are some valuable suggestions relating to the service of the magazines, and to the difficulty, which seems insuperable, with the elevating screws of the Parrott guns. He says, however, that "the result of the firing, so far as visible, appeared to be good," the projectiles from all the guns except one, a 50-pounder rifle, exploding or striking as well as could be expected. Also, that "the XI-inch and IX-inch solid shot and shells were unexceptionable on the same occasion."

Finally, as a relief to the regret felt in reading the statements in some of these replies of the inadequacy of the XI-inch, IX-inch, and the heavy rifled shot to penetrate the armor of the rebel ram Tennessee, we have the report of Commander Nicholson, of the Manhattan, in which he says:

"I am satisfied that most if not all the serious damage she (the rebel ram) has sustained was caused by the XV-inch shot from this vessel."

There can be no doubt that her fire compelled the Tennessee's surrender, and perhaps saved the entire fleet of wooden ships from destruction, thus again vindicating the judgment which added this peculiar class of vessels to our navy list, and placed on board of them the powerful guns with which they are armed.

From the testimony here presented, it may safely be assumed that the "Ordnance Instructions," up to the present time, are nearly perfect in all that relates to the preparation of vessels-of-war for battle, to the duties of officers and men at quarters, to the equipment and manœuvre of armed boats, and to the details of ordnance and ordnance stores. Nothing is, therefore, needed to give additional excellence and both physical and moral power to the "right arm of our national

defence," except a proper school in which the lessons of this text-book may be impressed upon the minds of officers and men, and prepare them to pass through the fiery ordeal of battle. In no other way can this be so effectually accomplished as by establishing a gunnery ship as a component part of our navy, to the discipline and instructions of which those of the Naval Academy shall strictly conform.

MAGAZINES AND DEPOTS OF NITI

In again presenting this important subject for your consideration, I feel that I can do no better than to reproduce here the arguments presented last year in support of my recommendation to remove the present magazines to more secure localities. Nothing whatever has since taken place to cause a change of my opinions; on the contrary, not very long ago an accident occurred in Brooklyn, New York, which has confirmed them. I allude to the explosion of a storehouse containing nitre and sulphur, (gunpowder, minus only charcoal,) which caused great damage to surrounding property and some loss of life.

In speaking of this subject last year I held the following language: "The proximity of these great magazines to the sea-coast and to the cities near which they are respectively located, especially those at Portsmouth, Boston, and New York, is a subject worthy of the most serious consideration.

"To the recommendation made by Rear-Admiral Dahlgren in his report of last year, in treating of this matter, I now desire to add that the danger of accidental explosion, always possible, even when guarded against by the utmost human foresight, is now greatly increased by the necessity of entering the magazines daily in order to receive, deliver, and prepare powder for service.

"In times of peace, although danger still existed, the chances of disaster were very much reduced, because the magazines contained moderate quantities, and were only required to be opened and work performed in them to supply occasionally the wants of a cruiser. Now the demand for powder and magazine stores is unceasing, and the chances of disaster are multiplied proportionally.

"Fully aware of the great responsibility which rests upon the bureau to do everything in its power to protect this species of public property from loss, and at the same time to guard the lives and estates of our citizens from destruction, I desire most earnestly to recommend to the consideration of the department and Congress the necessity of removing, as soon as possible, these large quantities of powder from their present localities, and of establishing depots at the north, east, west, and interior, placing them, however, near our principal railways and watercourses.

"Whenever the necessary appropriation for this object shall have been made, the bureau will be ready, with the information and data now in its possession, to proceed immediately with the erection of suitable buildings and the removal thereto of these terrible agents, which are passive and harmless enough when undisturbed, but inconceivably destructive when aroused.

"The importance of this subject will be sufficiently felt by reflecting on the terrific consequences of the explosion of five hundred tons of gunpowder in the vicinity of a city like Boston, New York, or Philadelphia. Words can hardly do justice to the disastrous effects of such an event. It would level spire and dome with the earth, and shake either of those cities to their very foundations. By an explosion of a far less quantity of powder than that named, an entire quarter of the city of Leyden was destroyed in 1807, and one hundred and fifty persons perished in the ruins."

I respectfully reiterate these words of caution from the report of last year, and solicit for them the favorable consideration of the department and Congress. See note D.)

THE ESTIMATES.

These are based upon the experience of the past, and, fully convinced of the necessities which call for each of the separate items, I respectfully submit them as the least possible amount to which they can be reduced without crippling our energies. Again would I remark that we must not pause in the work of preparation for the future, or fail to make ample provision for all emergencies. Profiting by the lessons of adversity, we must not permit ourselves to be again embarrassed by a neglect of proper precautions.

In the foregoing pages I have endeavored to fulfil the duty assumed in the opening paragraphs. Many ideas and suggestions are unavoidably omitted, because the limits of a report of this kind do not permit of too great an extension. The facts presented, however, are believed to be of most importance, and deserve careful consideration. I may be permitted also to revert here to the remarks made in the beginning, in reference to the system of obtaining naval supplies in general, but more particularly those of ordnance, and to say that I have long been convinced that serious defects existed therein.

The frauds that have been brought to light during the past year have made these defects more apparent, and I have made every exertion on my part, and exercised constant vigilance to guard against them, establishing new rules to govern the inspection and receipt of stores, as well as a careful scrutiny of prices.

The proper use of all the material received at the different yards, to be worked up into equipments, is found to be a question of no less difficulty and importance. Materials to the value of millions of dollars are necessarily placed in the hands of the mechanics and others employed, to be worked up into ordnance stores, and it is highly important that these materials should be so issued and accounted for as to make the detection of waste or fraud most certain.

Hence the bureau requires a most accurate and comprehensive return of stewardship in this respect to be forwarded to it monthly and quarterly from all the yards, and to render the whole system of ordnance accounts on shore and on board ship as complete as possible, I have recently caused a close and searching examination to be made at all the yards of the manner in which this duty is performed, with the view of adopting a uniform plan for the whole service.

In these labors the ordnance officers have co-operated with zeal, especially Commodore Missroon, whose method, precision, and large experience in such matters have proved invaluable to the bureau.

In conclusion, I am again called upon to acknowledge the assistance always cheerfully and courteously rendered to us by the ordnance bureau of the army, in the matter of supplies and valuable information; and this I have reciprocated to the full extent of my power, regarding a cordial co-operation of the two arms of the service, in the cause of our common country, as at once the most incumbent duty and the highest pleasure.

I have the honor to be, with high respect, your obedient servant,

H. A. WISE, *Chief of Bureau.*

Hon. GIDEON WELLES,
Secretary of the Navy.

NOTE A.—As a general summary of the results obtained in practice against iron targets, it may be stated that the X-inch gun is capable of piercing four and a half ($4\frac{1}{2}$) inches of the best iron plating, backed by twenty (20) inches of solid oak.

That the new X-inch solid-shot gun will penetrate any iron-clad of which we have, at present, any information.

And in the target experiments the XV-inch gun has broken up and shattere plates exceeding in thickness anything hitherto proposed as defensive armors.

NOTE B.—The official report of the examination of the arms collected upon the battle-field of Gettysburg states that "of the whole number received, (27,574,) we found at least 24,000 of these loaded; about one-half of these contained two loads each, one-fourth from three to ten loads each, and the balance one load each. In many of these guns from two to six balls have been found, with only one charge of powder. In some the balls have been found at the bottom of the bore, with the charge of powder on top of the ball. In some as many as six paper regulation calibre .58 cartridges have been found, the cartridges having been put in the guns without being torn or broken. Twenty-three loads were found in one Springfield rifle-musket, each load in regular order. Twenty-two balls and sixty-two buckshot, with a corresponding quantity of powder, all mixed up together, were found in one percussion smooth-bore musket. In many of the smooth-bore guns, model of 1842, of rebel make, we have found a wad of loose paper between the powder and ball, and another wad of the same kind on top of the ball, the ball having been put into the gun naked. About six thousand of the arms were found loaded with Johnson & Dow's cartridges; many of these cartridges were about half-way down in the barrels of the guns, and in many cases the ball end of the cartridge had been put into the gun first. These cartridges were found mostly in the Enfield rifle musket."

NOTE C.—A few rounds were fired on the 26th of October, 1864, from the army XX-inch gun, mounted at Fort Hamilton, with charges of powder varying from 50 to 125 pounds, and solid shot of 1,080 pounds. As this firing was merely preliminary to a more extended series for range and penetration, no opinion can be formed from it of the absolute power and efficiency of this enormous piece of ordnance; but enough was seen to warrant the belief that it, as well as the gun of the same calibre made for the navy, will fully meet the expectations of the government as most effective means of harbor defence.

NOTE D.—The remarks in relation to the removal of the powder magazines from the vicinity of our large cities to more secluded localities had been written and this report nearly closed, when, as an additional and impressive warning, came the tidings of the catastrophe at Erith, England.

On Saturday, October 1, 1864, an explosion of one hundred and fifty thousand pounds of gunpowder occurred there, from some cause unknown, the sound of which was heard at a distance of *over ninety miles.* Fortunately but twelve persons were killed and about twenty wounded; but the public prints give startling accounts of the terrible power of this exploding mass of powder. These it is unnecessary to cite here in detail, but I may refer to the single fact of the damage done to the river embankment, which at one time threatened with inundation an immense tract of country, extending from Gravesend to Battersea, on the Thames.

This occurrence is well worthy of the most serious thought, and from the English journals we learn that the local authorities at Chatham have been aroused to the importance of the subject; for meetings have been held by them with the view of effecting the removal of at least a portion of the large deposits of powder stored in the government magazines at Upnor Castle, Fort Amherst, and other places.

The quantity of powder exploded at Erith was only about sixty-seven tons. If it had been five hundred tons—the capacity of one of our large magazines—who can imagine the disastrous consequences?

Estimate of appropriations under the cognizance of the Bureau of Ordnance, Navy Department, required for the service of the fiscal year ending June 30, 1866.

Heads or titles of appropriations.	Estimates of appropriations required for the service of the fiscal year ending June 30, 1866
For pay and contingent expenses of the bureau	$21,196 00
For pay of the navy	63,375 00
For ordnance, ordnance stores, and other ordnance purposes	8,300,000 00
For ordnance buildings, magazines, &c., at	
Portsmouth	141,615 00
Boston	16,378 00
New York	439,000 00
Philadelphia	97,210 00
Washington	97,000 00
Norfolk	10,000 00
Mare island	86,412 00
For pay of photographer	300 00
For pay of clerks and others in ordnance departments of navy yards	15,180 00
	9,287,666 00

Statement of cost or estimated value of stores on hand at the several navy yards July 1, 1863; of articles received and expended from June 30, 1863, to June 30, 1864; and of those remaining on hand July 1, 1864, which are under the direction of the Bureau of Ordnance.

Navy yards.	On hand July 1, 1863.	Receipts.	Expenditures.	On hand July 1, 1864.
Portsmouth	$353,740 20	$495,850 69	$459,941 58	$389,649 31
Boston	926,121 67	2,051,880 57	1,807,389 59	1,170,612 65
New York	880,070 16	2,687,104 10	2,192,533 12	1,374,641 14
Philadelphia	328,066 89	722,034 97	548,216 07	491,884 79
Washington	272,482 00	1,088,519 00	681,868 00	679,133 00
Total	2,760,480 92	7,045,389 33	5,689,948 36	4,105,920 89

BUREAU OF CONSTRUCTION AND REPAIRS.

Annual report and estimates for the fiscal year ending June 30, 1866.

NAVY DEPARTMENT,
Bureau of Construction, &c., October 17, 1864.

SIR: In compliance with your instructions, I have the honor herewith to enclose the estimates of the appropriations necessary for the purposes of this bureau for the fiscal year ending 30th June, 1866.

The estimate for the maintenance and repair of 556 vessels for the present fiscal year was $13,775,000; which was reduced by Congress to the sum of $11,500,000.

There are, at this time, on the navy list 675 vessels; and considering the appropriation made by Congress for the present fiscal year as the least that will suffice for the number of vessels therein designated, the sum of $13,960,000 is necessary for the next fiscal year without any allowance for depreciation.

The depreciation of vessels in constant service is rapid; and on these 675 vessels it cannot be less than $1,000,000, and to keep them efficient the total sum required is $14,960,000.

The appropriation for the present fiscal year for the Bureau of Steam Engineering embraced a sum sufficient for the construction of the machinery of twenty fast steamers of the first class, and contracts have been made accordingly; but the estimate from this bureau embraced only sixteen vessels for this machinery, for the reason that not more than that number could be advantageously commenced within the fiscal year.

It now becomes necessary to provide the four remaining vessels, which the department is under obligation to supply to the contractors for the steam machinery.

It has, on mature consideration, been decided that two of these vessels be, in the space occupied by the guns, covered with a thin iron armor to resist shells, but not of sufficient weight to interfere with the nautical qualities of the vessels; and for these four vessels it is estimated the sum of $2,240,000 will be required.

In addition to these sixteen vessels, the department has made arrangements for the machinery for two fast spar-deck steamers to mount sixteen heavy guns, and there will be required for them $1,180,000.

The machine shops in the navy yards being now in a condition to manufacture steam machinery with much advantage, it is proposed, in order to meet one of the wants of the service, to build eight fast vessels of a small class, in which the machinery now being constructed in the navy yards will be erected. For this purpose the sum of $1,600,000 is required.

Experience having shown very nearly the kind of vessels best adapted for service on the western waters, and, where they are so liable to get aground, the wood vessel probably possessing the greater power of endurance, it is recommended that a few such vessels be built, to be properly protected with iron; for which it is estimated the sum of $1,600,000 will be required.

For the completion of the four iron-clad vessels now building in the navy yards, each mounting four fifteen-inch guns in turrets, the sum of $1,100,000 will be required.

The necessity for chartering vessels for sudden emergencies is constantly arising; also, many of the prize vessels being, with some small alterations, well suited for naval purposes, are with advantage purchased. There will be required for these purposes the sum of $1,250,000.

For extra labor and expense in repairing vessels abroad the sum of $600,000 is required; but should the fleets abroad be increased, it is probable a larger sum will be needed.

For the transportation of stores and materials and for incidental expenses the sum of $75,000 is required.

It is well understood, and ought to be kept in view, that an estimate for the repairs of ships in service, embracing an infinite number of different objects, cannot be made with anything like the exactness that is to be expected for permanent works on shore. It is impossible to foresee the condition in which the vessels may return to port in eighteen months or two years hence, and experience constantly shows that the cost of the repairs exceeds the estimate made after the most careful examination of the vessel.

The old vessels and the purchased vessels are in various stages of depreciation and decay, and all have been built and repaired as rapidly as possible, both by contract and in the navy yards, using green and unseasoned materials.

Could the new vessels have remained on the stocks for a year or eighteen months, their durability would have been much increased; but that could not be permitted by the necessities of the case, and in a year or two will be felt the full weight of this evil, for they will decay with great rapidity.

The demand for materials for the construction and repairs of the vessels of the navy for the past two or three years has absorbed all the supplies that were in the yards. The appropriations for years past have made no provision for supplies beyond the want of the then passing year, and there could be thus no accumulation of timber or other materials for future wants; neither do the estimates of the present year, nor those now presented, contemplate more than the actual pressing need.

There has been in this way an expenditure of a relatively small sum of money each year, having an appearance of economy, but in reality the government has suffered a positive loss in not having a supply of seasoned timber, nor a proper assortment on hand to prevent waste.

For many years no white oak timber was received for naval purposes that had not grown within a short distance of salt water, and that had not been cut at a particular season of the year; but latterly it has been found impracticable to adhere to these requirements, and timber has been used that has grown in all sections of the country and cut at any time. Our supply of southern yellow pine timber has been exhausted, and other kinds are being used to supply the deficiency, and among them the American larch or hackmetack from the State of Maine.

To meet this want of material it would require about $1,000,000 per year for three or four years to accumulate a supply of timber, much of which would need protection in ventilated sheds. These sheds would become prominent features in a navy yard, but might not be ornamental. If space would admit of these sheds being laid north and south, so that the sun might shine alternately on both sides, this simple arrangement would materially contribute to the proper seasoning of the timber.

It is taken for granted that the United States must for the future be a great naval power, and maintain powerful fleets, for which preparations must be made, and the navy yards must become in reality workshops and manufactories, mainly for building and equipping ships and their steam machinery. The space now occupied as gun parks, and for the storage of provisions, will be needed for timber-sheds, work-shops, machine-shops, and saw-mills, all of which should be convenient and near the ships; and the provision stores should be used for the numerous objects required in the equipment of vessels.

The experience of foreign nations has led them to remove these departments from the localities where the ships are built, and in which so much space is required to spread out timber that proper selections can be made.

The Navy Department having neither the materials nor the conveniences for building all the vessels wanted in the navy yards, has had recourse to private enterprise, but not in all cases with equal success.

The private builders have generally but small supplies of materials on hand, and are compelled to use green timber; and it is not to be expected that the same care will be taken in the selection of materials, or in accuracy of workmanship. There has been much competition for this work. The offer of the lowest responsible bidder has been made the standard of price, and the builders expect to make a profit from their business.

It is for the interest of the government to build its own vessels, as it can, by purchasing its materials in large quantities, obtain them on better terms than private parties buying small quantities, and the inspection can be more rigid. It is under no charge for rent, insurance, and taxes, that press heavily on private individuals, and that sum which would be the profit of a contractor could be expended in the excellence of the work and the quality of the material, rendering the ship more durable and efficient.

In general, workmen prefer employment from the government for the same reason that all large establishments have an advantage over small ones, there being more constant employment, and the greater subdivision of labor makes them more skilful in particular parts, so that a suitable position is assured for all, and they have, or should have, a certainty of prompt payment.

With proper regulations there is no doubt but the government could get as much labor for the pay as private parties can succeed in doing, and there can be no motive to use inferior materials or workmanship.

It is earnestly recommended that measures be taken to increase the facilities in navy yards by the construction of additional building-slips, and providing for the accommodation of materials of metal and of timber.

For many future years wood will be the required material for ordinary cruising vessels; but the largest classes of our iron-clad steamers, though they may be temporarily constructed of wood, must finally be built of iron, for the size and strength now needed for such vessels can only be obtained with that material.

With the introduction of steam, vessels of war have much increased in size, on account of the space as well as the weight of the machinery and coal to be carried; and now there is a still further increase demanded for the weight of armor plating. The speed which is required can only be obtained by making the vessel sharper, and increasing the steam power, both of which involve additional weight, and an increase in the size of the vessel. These can only be combined in vessels of very large size, and such vessels are so costly that only the most durable materials should be used.

For the protection of our coasts and harbors we are probably well prepared; but we have only three vessels that can pretend to cope with the sea-going iron-clad vessels of European nations, and these have not yet been tried. It is a problem to be yet resolved, whether a large steam vessel with her deck a foot or two above water, and without sails, can be effective and use her guns as a cruising ship. Experience has shown that as ships increase in dimensions and weight, there must be a certain relative portion above the water—that is, the height of the guns from the water should be increased; but this may, to some extent, be modified by making sacrifices in some other qualities.

The accounts we have of the performances of the iron-clad European vessels, if to be relied on, show that the elevated position of their armor plating has not seriously affected the motion of the vessels, and some of them are represented as being easier than ordinary vessels. Their large dimensions have much influence in this; but our principal harbors do not permit us to have so great a draught of water as European vessels have, which is stated to be from twenty-six to twenty-seven feet.

Until such time as it becomes the policy of the government to build iron-armored vessels for sea service—and, whenever commenced, it will require some years to have them in sufficient number to keep an enemy from our coast—we

must have recourse to plating wood vessels, of which the first cost may appear less, though it is certain to be more expensive in the end.

Unless we have armored sea-going ships we must give up the expectation of engaging our foes on the ocean, and must limit our operations to attacks on their commerce with fast and light-armored vessels.

From the delay we now experience in repairing our vessels, in consequence of our limited number of dry-docks, we would, in a foreign war, be much embarrassed. The accidents now are slight, and can be quickly repaired; but the injuries from a naval action would require a long time to repair, and the single dock in each yard would soon be filled. This subject seems to be one for timely consideration.

In connexion with the subject of building ships in the navy yards, it may not be improper to refer to the naval constructors, who are the principal agents of this bureau in the navy yards. These persons have performed their duties with great skill and industry, showing ability fully equal to the occasion, and have, by many years of faithful service, earned a respectable connexion with the naval service. This has long been accorded to surgeons, paymasters, and steam engineers. These constructors are few in number—only nine—and can only look to the department for a proper recommendation in their behalf. The true interest of the service is believed to be involved in their having a separate and creditable organization.

All the sciences that have application to naval matters have between them certain necessary relations, and there is a common fund of theoretical knowledge which the naval officer, the steam-engine builder, and the ship-builder, equally possess. But in the daily practical application of these general principles which they are called on to make, there are numerous essential differences forming each into a separate class. If any members of these separate professions should temporarily undertake to perform the duties of the others, they must necessarily, for want of practice, be less capable than those who have made that particular subject the special study and business of their lives; and if they continue at such duty, they cease to be members of their original profession, and must become very inefficient members of either.

There is no naval power in which all the branches are not made a specialty and kept separate; and in private life we find the same principle of action.

The accompanying list of vessels on which work has been done at the several navy yards will show the work these persons have done within the last twelve months.

In closing this report, I deem it but just to the clerks employed in this bureau to urge in their behalf, in consequence of the past and present high prices, a recommendation for an increase in their compensation.

I have the honor to be, very respectfully, your obedient servant,

JOHN LENTHALL, *Chief of Bureau.*

Hon. GIDEON WELLES,
Secretary of the Navy.

Estimate of the amount required for the construction, repair, wear and tear of vessels in commission, purchase and charter of vessels, armored vessels, and incidental expenses, for the fiscal year ending June 30, 1866.

Maintenance, wear and tear, repairs, and stores for 675 vessels	$14,960,000
For the completion of four fast steamers	2,240,000
For the construction of two fast spar-deck steamers	1,180,000
For the construction of eight fast vessels of small class	1,600,000
For the construction of vessels on the western waters	1,600,000
For the completion of the four heavy-armored iron-clads in navy yard	1,100,000
For the purchase and charter of vessels for naval purposes	1,250,000
For extra labor and expense abroad	600,000
	24,530,000
Incidental expenses, viz: transportation of materials, postage, drawings, &c	75,000
	24,605,000

Statement of cost or estimated value of stores on hand at the several navy yards on July 1, 1863; of the receipts and expenditures during the fiscal year ending June 30, 1864; and of the stores on hand on June 30, 1864.

Yards.	On hand July 1, 1863.	Received.	Expended.	On hand June 30, 1864.
Portsmouth	$768,994 12	$784,626 81	$642,528 00	$911,092 93
Boston	1,267,830 45	935,950 00	1,023,591 59	1,180,388 86
New York	1,667,436 48	1,897,343 46	1,960,969 26	1,603,810 68
Philadelphia	578,042 26	711,408 13	508,202 72	781,247 67
Washington	582,391 11	947,281 56	1,097,733 48	431,939 19
Norfolk	10,870 93	103,208 87	32,932 08	81,147 72
Warrington	19,252 32	81,944 78	78,532 58	22,664 52

BUREAU OF PROVISIONS AND CLOTHING.

Annual report and estimates for the fiscal year ending June 30, 1866.

BUREAU OF PROVISIONS AND CLOTHING,
October 25, 1864.

SIR: I have the honor to enclose estimates, with abstracts.

The magnitude of our naval operations during the last three years has caused the enlargement of the navy till it compares favorably in all respects with those of the great naval powers of Europe; and it is now manifest that while providing for a temporary emergency this country has created a powerful navy, of which it has good reason to be proud.

The suddenness with which the necessity came for building, arming, and providing so many ships, caused the resort to many expedients for meeting emergencies as they occurred, and gave but little time to prepare, or even to plan for its future requirements. In the department of the service which comes within the supervision of this bureau, and of which it is especially my province to speak, the want of expansion and reform, in some essential particulars, is very apparent.

NEW ARRANGEMENT OF STOREHOUSES.

The extensive victualling establishments for the navies of Great Britain and France are entirely separate from all other departments, and the experience of a long series of years has fully demonstrated the advantages of the plan.

The inconveniences of the location of the storehouses for provisions and clothing in our different navy yards was not seriously felt while the navy was small; but the disadvantages under which its current operations are conducted now daily show the necessity of a radical change in this regard. Supplies of ships have little to do with the building, equipping, and arming them. Provisions and clothing could be furnished to ships fitting out, and to squadrons abroad, with much greater convenience, economy and despatch, if separate establishments for their preparation and distribution were provided at one or two of the principal yards, with wharves, cooperages, &c., exclusively appropriated to their use.

In this connexion it may be remarked that this bureau has several times in past years recommended the erection of one or more bakeries for the navy; but the recommendations were not acted upon until the last year, and then only partially, by authorizing the flour for navy bread to be purchased and baked under naval inspection. The result has shown the very great advantage of this system over the old one of procuring bread by contracts given to the lowest bidders, and I cannot doubt that a still further improvement would be made by having within our own premises, and under our exclusive control, two or more bakeries with ovens and machinery of the best kind.

The preserved meats and desiccated vegetables which form part of the navy ration might with advantage be prepared in or near some of the navy yards. The buildings and machinery for the purpose would not be expensive, and the work would be done in the best manner, and with the certainty of securing the best materials.

INCREASE OF THE PAYMASTER'S CORPS.

The list of pay-officers in the regular service is not proportionate to those of other corps in the navy, nor is it, in my opinion, adequate to the requirements of the service. The number of paymasters remains the same as in 1842, though there has been so great an increase of large vessels and of important shore stations, which require paymasters of experience, as well as those who have given the highest bonds. And the many smaller vessels, for which pay-officers of a lower grade are adequate, call for a large addition to the list of assistant paymasters, of whom but 36 are now allowed by law. There are in the regular service 64 paymasters, 36 assistant paymasters, 405 acting assistant paymasters. Many of these last have shown themselves competent, faithful, and valuable officers, and are deserving of permanent places in the corps for which they are so well fitted. It would seem wise to reward the most meritorious of these officers, while securing to the regular service men of tried capacity and worth. The best of these young officers will probably soon leave the navy for other occupations, if not retained by permanent appointments with the prospect of promotion.

I would also recommend that the intermediate grade of passed assistant paymaster be created, to make the corps assimilate more nearly in rank to the medical and engineer corps, and to give to its officers the additional encouragement which more frequent promotions offer.

CLOTHING FUND.

When the rebellion commenced, the clothing fund was $570,000, and the number of men in the navy was limited to 8,500. More than six times as many men are now employed, but the fund has been increased less than four fold. The average prices of different kinds of navy clothing are more than double what they were before the war, and consequently, to keep a given quantity of clothing on hand, requires twice as large a fund as formerly. And the waste and losses by casualties must always be much greater in time of war. It s therefore necessary to ask for a further appropriation under this head.

PROVISIONS.

The extraordinary rise in the prices of provisions during the past year, and the increased number of men in the navy, will require another appropriation to meet the wants of the current fiscal year, and for the same reasons the estimates for the next year are necessarily much larger than heretofore.

I am, very respectfully, sir, your obedient servant,

H. BRIDGE, *Chief of Bureau.*

Hon. GIDEON WELLES,
Secretary of the Navy.

Estimate from the Bureau of Provisions and Clothing for that portion of the naval service coming under its cognizance for the fiscal year ending June 30, 1866.

One ration per day for 55,000 men would be for the year 20,075,000 rations, at fifty cents each	$10,037,500 00
One ration per day for 5,000 commissioned and warrant officers attached to vessels for sea service would be 1,825,000 rations, at fifty cents each	$912,500 00

One ration per day for 4,375 officers and marines attached to vessels for sea service would be 1,596,875 rations, at fifty cents each	$798,437 00
To be added for commutation of the spirit ration for 64,275 officers, non-commissioned officers, men, and marines for the year, at five cents per day, will be (per act of Congress, July 14, 1862)	1,174,843 75
	12,923,280 75
Appropriated for the year ending June 30, 1865	$6,415,605 00
Asked to be appropriated for the year ending June 30, 1866	$12,923,280 75

The excess over the estimate of last year arises from the increased number of men employed, and the great rise in every article composing the ration.

Estimate of the sum which will be required for clothing for the navy, for the fiscal year ending June 30, 1866.

For clothing for the navy	$1,000,000 00

Statement showing the value of shipments made by the Bureau of Provisions and Clothing to the United States naval squadron on foreign stations during the fiscal year ending June 30, 1864.

	Date.	Dollars.	Dollars.	Dollars.	Dollars.
Mediterr'n squadron	Sept. 1, 1863	$17,343 94	$2,394 25	$4,328 60	$365 63
Macoa, China	Mar. 31, 1864	33,394 41	40,192 45	12,290 84	2,478 93
Callao, Peru	Aug. 12, 1863				34 80
Do	Feb. 9, 1864	7,130 87			
Panama, N. G	July 11, 1863	1,886 69			
Do	Mar. 11, 1864	1,571 83			274 50
Do	April 28, 1864	300 59	11,218 22	1,047 81	502 50
Do	May 5, 1864	2,673 17		1,679 72	
Do	May 18, 1864	759 98	1,679 13	336 00	24 00
Do	Aug. 12, 1863				120 12
Do	Dec. 4, 1863	854 92	6,343 60	993 23	
Total		65,916 40	61,827 65	20,676 20	3,773 48

BUREAU OF MEDICINE AND SURGERY.

Report and estimates for the fiscal year ending June 30, 1866.

NAVY DEPARTMENT,
Bureau of Medicine and Surgery, November 4, 1864.

SIR: In compliance with your instructions of the 26th September ultimo, I have the honor to submit estimates of the amount required for the support of the Bureau of Medicine and Surgery, and the medical department of the navy, (with the exception of hospitals,) for the fiscal year ending June 30. 1866.

The condition of the medical department is represented as follows:

Balance of former appropriation for "surgeons' necessaries and appliances,' remaining in the Treasury June 30, 1864.....	$62, 148 97
Appropriations for "surgeons' necessaries and appliances" for the fiscal year ending June 30, 1865, per act of Congress approved May 21, 1864.....	210, 000 00
Amount required for the support of the Bureau of Medicine and Surgery for the year ending June 30, 1866, (schedule A)....	11, 340 00
Amount required for the medical department of the navy, on shipboard and all naval stations, with the exception of hospitals, for the year ending June 30, 1866, (schedule B).....	227, 500 00
Contingent.....	75, 000 00

Pursuing the system adopted last year of per capita estimates, instead of taking the nominal ratings of vessels as a standard, and assuming the number to be employed during the term covered by the estimates to be 65,000, an appropriation of $227, 500 will be required upon the basis of expenditures during the year, viz: about $3 50 per man, for all causes involving the disbursement of our funds.

The estimate for contingent expenses is increased to $75, 000 in consequence of the general advanced cost of every article to which this appropriation is applied.

I submit tabular statements of sick, &c., compiled from the reports of sick from the different naval stations within the United States, and from vassels in commission on home and foreign service, for the year ending December 31, 1863.

The squadron in the Pacific ocean is the only one maintained in the customary manner during the whole of the year 1863.

Statement of sick, compiled from reports of sick from the naval stations in the United States, and from vessels in commission on home and foreign stations, for the year ending December 31, 1863.

	Average number on board during the year 1863.	Remaining sick December 30, 1862.	Admitted in 1863.	Discharged in 1863.	Died in 1863.	Total treated in 1863.	Remaining sick December 30, 1863.	Percentage of deaths to the whole number of cases treated.
HOSPITALS.								
Chelsea	.....	56	658	605	18	714	91	.....
New York	.....	186	2,068	1,849	109	2,254	296	.....
Philadelphia	.....	55	938	885	36	993	72	.....
Washington	.....	46	317	321	4	363	38	.....
Norfolk	.....	141	991	932	29	1,132	171	.....
Pensacola	.....	41	453	413	62	494	19	.....
Mound City	.....	169	1,090	959	110	1,259	190	.....
New Orleans	.....	.....	271	185	40	271	46	.....
Newbern, N. C.	.....	.....	128	119	2	128	7	.....
	.....	694	6,914	6,268	410	7,608	930	.054
RECEIVING SHIPS.								
Boston	462	14	520	505	5	534	24	.....
New York	1,523	5	766	764	1	771	6	.....
Philadelphia	391	4	313	302	4	317	11	.....
Baltimore	236	3	317	301	3	320	16	.....
Mare island	21	2	191	181	1	193	11	.....
	2,633	28	2,107	2,053	14	2,135	68	.006
NAVY YARDS, ETC.								
Portsmouth, N. H.	.....	9	324	299	1	333	33	.....
Boston	.....	1	148	145	1	149	3	.....
New York	.....	5	294	294	1	299	4	.....
Philadelphia	.....	6	162	161	2	168	5	.....
Washington	.....	36	406	416	3	442	23	.....
Norfolk	.....	.....	108	107	.....	108	1	.....
Naval Academy	.....	9	716	677	6	725	42	.....
	.....	66	2,158	2,099	14	2,224	111	.006

RECAPIULATION.

	Aggregate number of persons employed on board of vessels in 1863.	Remaining sick December 31, 1862.	Admitted in 1863.	Discharged in 1863.	Died in 1863.	Total treated in 1863.	Remaining sick December 31, 1863.	Proportion of cases to number of persons on board vessels.	Proportion of deaths to whole number of persons on board vessels.	Percentage of deaths to whole number of cases treated.
Hospitals	.....	694	6,914	6,268	410	7,608	930	.....	.....	.054
Navy yards	.....	66	2,158	2,099	14	2,224	111	.....	.....	.006
Receiving ships	2,613	28	2,107	2,053	14	2,135	68	.817	.005	.006
Vessels in commission at sea	30,374	953	48,309	47,650	610	49,262	1,002	1.621	.021	.012
	32,987	1,741	59,488	58,070	1,048	61,229	2,111	1.558	.018	.017

At the close of the year 1862 there remained under treatment 1,741 patients; during the year 1863 there occurred 59,488 cases of disease, injury, &c., making a total of 61,229 cases treated during the year. Of this number 1,048 died,

58,070 were returned to duty or discharged the service, leaving 2,111 under treatment on the 30th December, 1863.

Total number of deaths from all causes reported at the Navy Department from October 1, 1863, to September 30, 1864, is 1,560.

The average force of the navy (officers, seamen, marines, engineer service, coast survey, &c.) for the year was about 40,000.

The proportion of cases to the whole number in service was about 1.50, or each person was on the sick list $1\frac{50}{100}$ times during the year.

The proportion of deaths to the whole number in service was about $\frac{2}{100}$, and the percentage of deaths to the whole number of cases treated is 1.71.

Summary of prevalent forms of disease, on foreign and home service, for the year 1863.

Forms of disease.	Blockading squadron, 22,218 men.	Special service, 4,059 men.	Pacific squadron, 1,097 men.
Febrile diseases	11,735	483	480
Diseases of digestive system	8,486	870	311
Diseases of respiratory system	5,056	681	357
Diseases of circulatory system	466	101	26
Diseases of brain and nervous system	945	201	98
Diseases of cutaneous and cellular system	2,015	445	229
Diseases of fibrous, oseous, and muscular system	2,720	393	182
Diseases of genito-urinary system	1,904	484	210
Diseases of eye and ear	722	263	29
Wounds and injuries	1,952	599	246

The foregoing tabular statements of sick do not include the whole strength of the navy for the year 1863. They embrace only the naval stations, and vessels to which medical officers were attached, and from which reports of sick were received.

During the year 1863 many small vessels in the blockading squadron, and the Potomac and Mississippi flotillas, were without medical officers, and from which no sick reports were received; therefore, neither the number admitted on the sick list, nor the number of deaths, can be definitely stated; but by assuming the same ratio of diseases and deaths or board these vessels as from those from which reports have been received, the proportions will be very nearly correct for the whole strength of the navy.

The following casualties are reported to this office as having occurred on ship-board from the 1st of October, 1863, to the 30th ultimo:

	Killed.	Wounded
North Atlantic blockading squadron	29	82
South Atlantic blockading squadron	40	29
East Gulf blockading squadron	4	5
West Gulf blockading squadron	62	195
Mississippi squadron	32	34
Detached duty	4	6
Making	171	351

Total casualties reported, 522.

Considering the nature of the service performed, the protracted exposure of ships' companies to unhealthy climates or localities, the novel character of many of the vessels, the unremitted vigilance and labor imposed by blockading duty, it is a subject of earnest congratulation that I am enabled to present such a satisfactory exhibit of the sanitary condition of the service, and such ample evidence of the efficiency and devotion of the medical corps, to which those happy results, in part at all events, are due.

Scurvy, that "old scourge of the sea," is almost unknown, even on board the most ill-contrived vessels, after months of continuous cruising; and were it not for the many modifications and improvements in the food of the men, and the facilities for frequent changes of diet afforded by the system of supply vessels, it is much to be doubted whether our extensive blockade could be maintained with such unsurpassed activity and vigilance.

During the past summer yellow fever prevailed somewhat extensively in the East Gulf blockading squadron, especially in the neighborhood of Key West; but the wise system adopted by the department of ordering infected vessels at once to the north, both for the advantages of quarantine establishments and change of climate, prevented the disasters which must have followed a season of unprecedented heat, if the opportunity of escaping the limits of the disease had not been provided.

The Tioga and De Soto, infected vessels from the East Gulf blockading squadron, reached Portsmouth, New Hampshire, in June, and owing to some informality or accident, the latter was permitted to reach the navy yard.

Numerous cases of fever occurred among the employés of the yard, traceable, it is believed, in nearly every instance to imprudent visits on board ship. The precise number cannot be ascertained, though so novel and fatal an infection was well calculated to excite much apprehension and perhaps exaggeration, The surgeon of the station believes that scarce an instance of personal infection occurred, and that a large portion of those who suffered owed their misfortune to indiscretion.

NAVAL HOSPITAL FUND.

The condition of this fund is represented as follows:

Balance on hand June 30, 1863	$116,155 00
Transferred to the fund by the Fourth Auditor in settlement of accounts, &c., during the year ending June 30, 1864	109,760 13
Transferred to the fund on account of supplies from the naval laboratory to vessels and navy yards, during the year ending June 30, 1864	91,246 78
Total amount of fund for the year ending June 30, 1864	317,161 91
Deduct amount expended during the year ending June 30, 1864	194,897 81
Balance on hand June 30, 1864	122,264 10

The act of Congress approved March 3, 1851, directs "that the rations of officers and others of the navy sent to hospitals on shore shall be credited to the hospital fund at the *cost only* thereof;" but as this fund, devoted exclusively to support and maintenance of hospitals, is made up of a monthly deduction upon the pay of officers and men of the navy, and of the cost value of rations stopped on account of sick in hospitals, it is respectfully recommended that the act above referred to be so amended as to credit the hospital fund with the commutation value of the ration.

The government contributes little or nothing directly to the support of hos-

pitals or their inmates, and in order to prevent the results which must obviously ensue, from receiving for the maintenance of each man, in the shape of the contract value of the ration, about one-half or two-thirds as much as it costs to support him, viz: the diminution of the fund, so as to make appropriation by Congress essential, it is believed that the proposed change of the law would be most advantageous, though the commutation value of the ration would hardly defray the daily cost per man, while provisions, fuel, and other articles of necessity rule at present prices.

The average expense per week of hospital patients for the year ending June 30, 1864, has been about $2 50.

NAVAL LABORATORY.

When this establishment was formally organized in November, 1853, the navy consisted of some forty vessels, and perhaps about 8,000 men. An unoccupied wing of the naval hospital, New York, was found sufficient to accommodate the machinery, apparatus, manufacturing department, store-rooms, packing, dispensing rooms, &c. But the progression and late rapid increase of the navy from such small beginnings to its present vast proportions render new and better arrangements necessary to this important establishment.

It is found nearly impossible to conduct properly the daily operations in its present contracted limits; the demands of the service are such, that it is imperative to keep large stocks of various articles and appliances on hand for immediate calls; and the manufacturers' department is constantly kept in the greatest activity.

The increased number of patients renders the room occupied by the laboratory essential to its original hospital purposes. Some more appropriate arrangements are desirable, if not necessary.

After ten years of trial, and I think I may say with highly successful results, the laboratory can no longer be considered an experiment: it has become an established fact, creditable alike to the department and to those intrusted with its management. It has received on many occasions the most favorable notices in professional publications, in various parts of the country, as well as flattering reports from scientific committees, who have made special visits and examinations.

The War Department, after trying various other expedients, has lately instituted similar establishments, mainly, it is stated, because of the successful issue of the one connected with the Navy Department. The uncertainties of the medical profession are somewhat proverbial; but the navy is, happily, divested of one of no small importance to both patient and physician, by being well assured of the quality of the articles by which disease is combated or health preserved.

It is proper I should add, that, while the mere clerical duties of such an establishment, furnishing an extensive variety of articles to 600 vessels and stations, involving an extensive and laborious system of accounts and correspondence, making elaborate analyses and examinations for other departments of the navy, thereby guarding against fraud and imposture, not one cent has ever been expended by the department for pay of clerks or writers. This additional work is always performed by the officers of the laboratory.

Amount purchased for the laboratory during the year ended June 30, 1864	$120,076 10
Value of issues from laboratory	111,074 96
Value of stock on hand, machinery, appliances, &c., June 30, 1864	64,395 42

The amount of issues during the year ending June 30, 1864, it will be seen was $111,074 96. These were prepared and delivered direct to 315 different vessels and

stations; a large proportion of which was specially arranged for distribution to the different squadrons and flotillas, in small packages, for greater convenience of distribution. If these indirect packages be added, the number issued from the laboratory during the year will exceed 5,000.

INSANE OF THE NAVY.

On the 30th September, 1863, five officers, nine seamen, one fireman, and one pensioner, eighteen in all, remained under treatment in the government hospital for the insane, near this city.

During the year ending September 30, 1864, there were admitted two officers, five seamen, one marine, three firemen, two landsmen, one coal-heaver, one pensioner, and one boy; total, sixteen: the whole number under treatment during the year, thirty-four.

The discharges in the course of the year were, by recovery, two; by death, seven; by desertion, one; removal by friends, three: leaving in the institution on the 30th September, 1864, five officers, nine seamen, one marine, one fireman, one pensioner, two landsmen, one coal-heaver, and one boy; total, twenty-one.

The act of Congress of July 2, ultimo, authorizing the Secretary of the Navy to assign a portion of the pay of an officer, confined in the institution by mental disease, to provide such comforts and indulgences as its funds proper cannot furnish, will greatly add to the well-being, and perhaps contribute somewhat to the ultimate recovery of the unfortunate class of patients for which the government has founded this most admirably conducted asylum.

NAVY HOSPITALS.

Pursuant to your order, this bureau assumed charge of the construction, improvement, repairs of hospitals and appendages, on the 1st July, ultimo, and such progress has been made with the various works as time and circumstances permitted.

Portsmouth, N. H.—A brief summary of the legislation in regard to the erection of a hospital at this station may not be without interest.

For many successive years prior to the war, the chief of the Bureau of Yards and Docks had brought to the notice of the honorable Secretary of the Navy the necessity of some better accommodation for the sick and wounded than was afforded by a very contracted and inconvenient frame-house that had stood on or near its present position since the establishment of the navy yard.

It had originally been an humble private residence, and had received no more than such occasional repair as was necessary to preserve it from the effects of time or the elements. I had ventured to add to the suggestions of the Bureau of Yards and Docks such considerations as were derived from my more direct relations with the class of persons most interested in the improvement.

The war and consequent increase of the navy making our deficiencies at the station too manifest to be passed over, a proposition was submitted to Congress to appropriate $20,000 for this object.

But as the bill finally passed, it diverted $14,500 for the purchase of property on Seavey's island, which had not been recommended by the department, which had never been examined with reference to its adaptability to this special purpose, though the buildings on the land were notoriously unsuitable for a hospital. Difficulties arose from time to time, to which it is unnecessary to refer, that resulted in postponing action as far as the main object was concerned.

On the 14th March, 1864, Congress appropriated $25,000 for the hospital, leaving its location entirely to the judgment of the department. In order to reach the most prudent conclusions upon a subject which has acquired a very undue importance, from the early desire to control it manifested by persons having no apparent connexion with it, it was deemed judicious to devolve the se-

lection of the site upon a board of officers, some of whom had much familiarity with the navy yard from frequent or long residence therein.

Desirous to observe as much economy as possible, it was decided to adopt a site within the yard, if one could be found without detriment to other interests; if not, then to examine any contiguous property. The board thought, with entire unanimity, that such a site could be found within the yard, offering beside the advantage of a new building, that would make a large part of an edifice well suited to our occasions.

The honorable Secretary approved the action of the board, and orders were about to issue to commence the work, with the assurance of completing it early this fall, when proceedings were suspended in consequence of a protest on the part of senators and members of the House of Representatives; and finally, on the 1st July, 1864, nearly three years after the project was started, the appropriation of March 14, 1864, of $25,000, was repealed, and things resumed their original forlorn condition.

Whether the impotent conclusions attained, after the loss of so much time, and some labor, will satisfy public expectation, or whether the antagonism to the views of the department will be justified, by the failure to effect a sale of a certain twenty-seven acres of land, are not perhaps appropriate subjects of remark.

I desire to add that the department has no other interest in the location of the building, if it shall ever be undertaken, beyond securing the best site, wherever it may be found; though, for my own part, I aim to avoid the unnecessary expenditure of a dollar for any one's benefit. Hence, if economy can be secured without detriment to other interests, by erecting a building within the limits of the yard, I am in favor of so doing. It has been recently said by a distinguished statesman, "that at a time like the present, when taxes are so high, and the burdens of the war fall so heavily on the people, they have a right to expect and demand from those intrusted with the disbursement of public money fidelity, vigilance, and economy;" and this principle has been steadily held in view, by striving to avoid making the work at Portsmouth more costly than need be, by the purchase of land upon the exclusive valuation of its owner or owners, or until such purchase was found to be absolutely necessary.

It is now hoped the ample arrangements which the department has been enabled to provide elsewhere will render the work at Portsmouth, that has elicited so much opposition, in a great measure unnecessary.

Boston, Mass.—The extension of the edifice is so nearly completed as to justify the expectation that it will be fit for occupation during the early part of winter. The most improved heating culinary and laundry works are now in course of erection, with a prospect of soon being in readiness for use. The hospital has generally been filled to its utmost capacity, and recently we have had one hundred patients in the adjacent hospital under charge of the Treasury Department, to the great inconvenience of those for whom it is specially designed. Upon the completion of our building, we shall be able to dispense with the accommodations so courteously granted by the honorable Secretary of the Treasury since the commencement of the war.

For various repairs, improvements, furniture, &c., there will be required the sum of $8,500.

New York.—The accommodations provided last year have proved sufficient, though not more than sufficient, for the large number of invalids from the blockading vessels constantly sent to this station. The daily average, during the year 1863, has been about 262, and the whole number treated nearly 3,000.

There will be required for the various incidental repairs, renovations of buildings, grounds, roads, cemetery, laboratory, &c., the sum of $14,000.

The Ridgewood water is being introduced into the establishment, hitherto dependent upon cisterns and pumps.

Naval Asylum, Philadelphia.—There is obviously a great want of additional accommodation at this establishment, as well on account of the progressive increase of beneficiaries as of hospital cases.

The admissions to the hospital department, during the year 1860, were but 179, while during the year 1863 they amounted to nearly 1,000. It is not probable that either patients or beneficiaries will diminish in number, certainly not the latter, for years to come; on the contrary, it may be reasonably expected the number will increase.

The sum of $75,000 was appropriated by act of Congress, approved March 14, 1864, to extend the building, but the derangement of business, and enormous increase in the price of labor, material, and everything necessary for the prompt execution of the work, rendered it inexpedient to commence operations with such limited means; and rather than have the grounds defaced and disfigured by undertaking what there was no certainty of soon completing, I have abstained from commencing operations until further appropriations are made. I have not asked for additional means, because of the inopportuneness of the times; but still, believing that our necessities will not diminish, I submit to the department whether it may not find it proper to ask for the further sum of $100,000, which I have not included in the estimates.

A system of transferring patients from one naval hospital to another has enabled us thus far to meet the want of accommodation at Philadelphia; but this is an uncertain reliance, especially in view of the continued growth of the navy and the casualties of war.

Norfolk, Virginia.—The large force employed in the North Atlantic blockading squadron has thoroughly taxed the capacity of this establishment, and recently it has been filled in every part. The hospital was reoccupied by the navy about the 1st of September, 1862. During the ensuing year about 1,000 patients were received, while nearly the same number has been admitted between January and July of the present year.

The building and appendages require considerable repair and renovation, especially in the culinary and laundry departments; while the bridges, wharves, enclosures, &c., are in a condition of much dilapidation.

For these various purposes there will be required the sum of $12,500.

Pensacola.—The large fleet operating in the Gulf of Mexico has required extensive hospital accommodations at this port, and I am happy to state that sufficient progress had been made with improvements authorized by Congress, May 21, 1864, to afford accommodations for the invalids of the fleet, as well as for the wounded in the attack upon the forts at Mobile. Much is still required to be done, as our appropriations are speedily exhausted by the difficulty of obtaining labor at this remote point, as well as by the high price paid for it, and for materials of all kinds. The hospital was opened, in part, in the commencement of 1863, and received during the year 500 patients, while quite as many have been admitted between January and July of the present year.

For the completion of the hospital and the various works appurtenant thereto, there will be required the sum of $10,500.

Memphis, Tenn.—The hospital at this place has been a most important auxiliary of the Mississippi squadron. During the year 1863, 1,650 patients were here treated; and between the months of January and July of the present year, 852 persons have been received from the numerous vessels comprising this extensive squadron.

The hospital steamer attached to the squadron renders valuable service, because the small vessels constituting so large a portion of the naval force employed, afford no accommodations for sick or wounded.

There will be required for repairs and various incidentals connected with preservation and care of buildings, &c., &c., the sum of $7,000.

New Orleans, La.—This hospital was opened in December, 1863, and has

afforded many comforts and conveniences for the sick not to be found on board the numerous small vessels operating on the lower Mississippi, its tributaries, and adjacent bayous.

To keep the buildings in proper condition, make ordinary repairs to building, furniture, &c., there will be required the sum of $5,000.

Key West, Fla.—The Treasury Department generously continues to the navy the use of the marine hospital at this place, which, with the frequent visits of the supply steamers, meet all the medical wants of the East Gulf blockading squadron.

Port Royal, S. C.—The accommodations for sick and wounded on board the New Hampshire proving entirely inadequate to the necessities of the increased force of the South Atlantic blockading squadron, as well as unsuited to the many casualties consequent upon the operations of the squadron, a conveniently arranged and sufficiently spacious modern building has been erected upon a public reservation at St. Helena's island, which is about ready for use. It will properly receive from 150 to 175 patients, and will cost, when prepared in all respects for its uses, some $13,758. The building was constructed, after plans furnished by the medical officers of the South Atlantic blockading squadron, by Mr. Geo. H. Davis, of East Cambridge, Mass.

Washington, D. C.—As early as practicable, after the transfer of the subject to this bureau, preparations were begun for erecting the hospital at this place authorized at the last session of Congress. The site proposed, bounded by Pennsylvania avenue, 10th street east, E street south, and 9th street east, already belongs to the government; and though many delays, altogether unavoidable, have occurred, measures are now in progress to complete the building at the earliest possible date. The necessity for this improvement is urgent; the large force employed in the Potomac river and tributaries, the increased strength of the marine corps, the many vessels arriving at the navy yard for repairs, &c., have no other resource for the sick than the limited accommodations at the government Asylum for the Insane in the neighborhood of the city, which we have occupied since the beginning of the war, through the courtesy of the Interior Department and the superintendent, Dr. C. H. Nichols, to the great inconvenience of the asylum.

It is full time we ceased to encumber the Asylum for the Insane with an entirely different class of patients whose presence interferes with the harmony and order of the asylum, and encroaches upon room absolutely required for other purposes.

The further sum of $30,000 will be required to furnish and put the hospital in working order; the former appropriation of $25,000, for reasons connected with the high price of labor, material, &c., proving totally insufficient.

The building is a plain brick structure, devoid of ornament or other unnecessary and costly features.

I respectfully recommend that Congress be asked to authorize the purchase of lots 3 and 4, westerly, part of square 948, Washington, D. C., in order that the government may have entire control of the plat of land upon which the building will stand; they comprise some 14,000 feet. It is quite important the department should possess the entire area, to guard against improper intrusion.

San Francisco, California.—As soon as the appropriation of $75,000 by Congress at its recent session for a hospital at this station became available, measures were taken to secure the prompt erection of a plain brick building to meet the general wants of the service at this remote station. But it was soon ascertained that, owing to the derangement of the currency and the low value of government funds in California, the actual amount applicable to the object was reduced considerably more than one-half; and no one could be found there

willing to undertake the work either by contract or days' labor, in view of the means of payment.

The work is necessarily postponed till the department shall determine the fitness of prosecuting it, even under existing pecuniary disadvantages; and if it be decided to commence it, another appropriation of $75,000 at least will be required. I have not inserted this additional amount in the estimates. While fully impressed with the imperfect and temporary character of the provision for our sick, I desire to observe all reasonable and practicable economy in this department of the public service.

MEDICAL CORPS OF THE NAVY.

I ventured to bring to the notice of the honorable Secretary of the Navy in my last annual report some considerations having reference to a reorganization of the medical department of the navy, so as to place it in better harmony with the growth and expansion of other branches of the service, and to adapt it more efficiently to the vast and peculiar responsibilities which a state of war imposes.

I am impelled to renew the subject, under a sense of what is due to the faithful, zealous officers whom it devolves upon me to represent, as well as upon a review of the action of Congress, which has in many instances acknowledged the value of efficient service in staff departments, by higher rank and more liberal compensation.

I believe I may add to what I have hitherto stated, that the medical corps of the navy is now about the only, if not the only, branch of either navy or army that retains the organization of peaceful times, when occasions were few or rare to demand the highest order of professional attainment, or the prompt exercise of the qualities of mind and character, upon which life, or even the successful issue of military enterprises, may in a measure depend.

The deplorable experiences of recent European wars brought about a general reorganization of the medical department of the various governments by absolutely compelling attention to a service which, though it has not the showy achievements of the sword to attract the public gaze, yet in its silent ministrations of humanity and usefulness is so powerful to maintain the military forces in the efficiency which insures fame and promotion to those who wield them. War has been described by one of no small experience, as a "problem of sanitary science," because it is well known that disease kills and disables more than shot and shell; if this be true, the men who bring to the public service, at their own expense, the qualities and attainments to conduce to great results, ought surely not to be ignored in the distribution of honors and rewards.

The subject of assimilated rank of staff corps in military organizations has been worn threadbare by profitless discussion, more frequently betraying more sentiment or personal feeling than reason. The practice of the civilized world in this particular is more conclusive of its propriety, if not necessity, than any appeal to passion for or against the principle. The fallacy, that rank and command are necessary sequences, is sufficiently exposed by the action of Congress in repeated instances.

The judge advocate general, created by an act of the present Congress, is a brigadier general in rank, pay, and emoluments; and his assistant is a colonel in the same relations. It would require sharper acumen than has exercised itself upon the vexed question to maintain the connexion between this judicial office and military command, or to seek to ignore the law because no provision is made for command, which many contend to be an absolute corollary.

Various grades of army medical officers have the rank, pay, and emoluments of brigadier general, colonel, lieutenant colonel, major, &c., without any allusion to the right or otherwise of command. Indeed, it is believed that no branch of the army now exists which has not been harmonized into a general system by

investing its members with military position. And although promotion in some staff corps is apparently limited by law, exalted service has earned for zealous and efficient incumbents the honors of higher preferment by brevet.

The system of equally rewarding staff service by promotion and pay must have its advantages, or it would not have been adopted, or continued in such an enlightened organization as the army; and if it has advantages, the navy should not hesitate to adopt the same means to secure the same results.

And though the army practice has been marked with considerable liberality, its military efficiency and spirit are not, apparently, in the slightest degree impaired by its recognition of merit, as conducive to public results, without any reference to the sphere or calling of the individual who exhibits this merit.

And while it may not increase the skill of a professional man, that he is assimilated in pay and position to a general, it certainly inspires him with more zeal and energy to find that his government not only exacts no sacrifice of professional pride, or status, in accepting its service, but that it offers equally to him as to others all the honors, and rewards which capacity, industry, and fidelity should command.

And as a signal illustration of the reward that follows efficient staff service in the army, the medical profession has hailed with pleasure a recent official announcement that a medical purveyor, with the rank of major, had been advanced to the rank and emoluments of brigadier general for the diligent and zealous discharge of his duties.

His less fortunate brethren of the navy rejoice at the compliment so gracefully paid to the profession, and labor not the less earnestly in their vocation, because they still hopefully await some similar evidence that the laborer may be found worthy of his hire.

The highest rank attained by a medical officer of the navy is reached in less than half the period of service by members of other staff corps; and the pay that attaches to a medical officer in charge of a fleet inures to members of other staff corps, upon similar advantageous terms. The office of "surgeon of the fleet" brings with it no additional rank, because every officer holding such appointment is entitled to his rank by seniority, and not by his temporary office.

It can hardly be necessary to refer to the complicated and arduous duties of a medical officer, charged with the many and grave responsibilities of a squadron of 80 or 100 vessels, in a time of war, where so much of his assistance is made up of the inexperienced persons whom our necessities compel us to employ.

The mere clerical duties of a fleet surgeon, or hospital surgeon, with 350 or 400 patients under daily charge, are nearly as great as those incident to the accounting department of a frigate; and yet they are only additions to other weighty responsibilities; for no provisions for clerks or writers is made, under any circumstances, for medical service.

The medical service, for some reason not well perceived, is apparently made the standard of rank for other staff corps, without reference to the widely dissimilar duties, acquirements, or trusts; and I believe our navy presents the only instance of such a distribution of rank or pay. The more systematically organized navies of Europe are certainly exempt from this peculiarity.

The position and pay of medical officers of the navy must have much to do with the difficulty experienced in obtaining the number adequate to our necessities.

Though a medical board has been in continuous session for a year, the permanent corps at this day presents ten vacancies; and while the opportunities for temporary appointments are offered by facilities for examination at Portsmouth, N. H., Boston, New York, Philadelphia, Washington, Chicago, Cairo, and in the various squadrons, we cannot find enough qualified persons to accept appointments.

The army offers such greater inducements, that, as a general rule, it appropriates nearly all the available medical talent.

This should not be so; for in a time of war, when the chances of continued conflict are superadded to the risks of climate and exposure, it should be the endeavor of the government to confide the life and health of those upholding its honor to no doubtful or improper hands.

While the army offers pecuniary inducements of from 33 to 50 per cent., perhaps, greater than is awarded to similar service in the navy, it is not to be expected that the latter will attract the character and attainments which are so desirable, and indeed so necessary; and the only plan that suggests itself to me, to remedy a pressing difficulty, is to equalize the inducements of the respective services, so as to give the navy a fairer opportunity for competition.

So long as the rates of pay of the medical officers of the navy are hardly more, if indeed as much as mechanical or clerical pursuits now command, it would be unreasonable to expect that a man would give his education and time to the navy for such disproportioned compensation and position.

It is to be borne in mind, that in time of war, or during a battle, medical officers are called upon to decide promptly, upon their sole responsibility, grave questions involving life or limb; such questions as in private life are made the theme of much study and learned consultation, as it often happens the medical officer is far removed from all opportunity of assistance.

It is not the mere act performed, but the judgment and knowledge that determine the wisdom and fitness of the act, which attest the usefulness and value of the surgeon.

To illustrate the difficulties we have to meet, in providing for the medical service of the navy, I submit the following statements:

Between January 1, 1861, and the close of the year 1863, permits issued to candidates for appointment in the regular service	270
Approved for appointment	99
Withdrew and rejected	171

Since January 1, 1862:

Acting assistant surgeons examined for permanent appointment	55
Approved for appointment	16
Withdrew and rejected	39

Since January 1, 1862:

Candidates examined for acting appointment	188
Approved	86
Rejected	102

As I have previously stated, these latter have been examined at various points, from Portsmouth, N. H., to Cairo, and in the different squadrons.

Acating assistant surgeons offered the opportunity of examination for permanent appointment since June 15, 1864	36
Declined	32
Examined and appointed	3
Examined and rejected	1

All of those declining, assigning pretty much the same reason, that they are willing to serve as a matter of principle or duty, during the war, but desire no permanent place under the government.

Persons applying for examination as acting assistant surgeons, and offered the opportunity of examination for permanent service	30
Declined	30

The examination for acting appointments is necessarily below the standard for permanent appointment, though it covers the same grounds—a fair knowledge of business, sufficient educational attainments, and professional knowledge enough to discharge the ordinary duties of a medical officer.

Casualties in medical corps since January 1, 1864.

Surgeons died, disease originating on duty	4	
Surgeons resigned	1	
		5
Passed and other assistant surgeons resigned	13	
Dead, disease originating on duty	2	
Drowned in service	2	
		17
Total		22
Acting assistant surgeons resigned	38	
Died in service	5	
Drowned in service	2	
Dismissed	7	
		52
Total		74

There are now ten additional resignations before the department, which are not accepted because of the existing impossibility of supplying the vacancies.

A common reason for resignation is to accept the more eligible service of the army.

No application for appointment, either in the permanent or temporary service, is now before the department; nor has any such application been received during the past six weeks. It cannot be said that medical men manifest any special desire for office, if the ordinary inferences are to be deduced from these facts.

Naval pensions.

The act of Congress approved July 14, 1862, regulating naval pensions, makes no provisions for the new grades of the navy authorized by the act of Congress of July 16, of the same year.

The highest rank recognized in the pension bill is that of captain, while it is well known the latter act creates the new grades of rear-admiral, commodore, lieutenant commander, &c.

The pension awarded to the family of a captain is now the same as that to the family of a master commanding, thirty dollars per month, thus reducing the pension of the former twenty dollars per month below the allowance under the earlier law. The same inequalities are found in other instances, in which

a hitherto moderate allowance is reduced with as little reason, perhaps, as it is increased in other instances.

It occurs to me that the law might be advantageously revised, so as not only to provide for the new grades, but also to make some better adaptation of the pension to the responsibilities and services of the officer.

I am of opinion, also, that some discrimination should be made between the cases of officers killed in battle, or by casualty incident to battle, and those who die of disease at indefinite periods, after exposure to any of the ordinary vicissitudes of naval life.

Pensions are granted only in cases wherein it is satisfactorily established that death has resulted from exposure in the line of duty; but there ought to be some distinction between loss of life in actual conflict, and when death results in advanced age, from exposure to climatic or other influence on some past occasion.

And again, while in any event our pension system will be so moderate as to contribute inadequately to the support of those who have yielded their natural protectors to the cause of the nation, it would be a grateful recognition of faithful and honorable service, if during lifetime some provision were made for the maimed and mutilated officer whose body bears honorable evidence that he has stood in the breach when his example was essential to the triumph, or that his flag was not struck till he had been borne down in the strife.

The pay of officers on the retired list is certainly very moderate; two thousand dollars for an admiral of more than half a century, or sixteen hundred dollars for a captain of thirty or forty years' service, is truly no very large compensation, when, as is so generally the case, a family looks to this sum as a sole support.

I think a system of pensions for wounds might be established with great benefit to the officer, and with little detriment to the treasury, as so large a portion of the pension expenditures will be made up of captures, &c., during the war.

It would be a grateful boon to the mutilated officer to know that his service and loss were thus appreciated and rewarded, as honorable to the government to make the award as to the recipient.

In like manner, I think the pension should be regulated by the more or less immediate death of the officer, consequent upon exposure, as in the case in some foreign services.

The pension should not, perhaps, be the same in case of a person taken sick in a foreign or insalubrious climate, who reaches his home to die in a few months, and of another who may survive such exposure for years, in the enjoyment of his pay.

By an act of Congress of July 4, 1864, section 5, it is provided that all persons now entitled to a less pension, "who shall have lost both feet in the military service, shall be entitled to a pension of $20 per month; and those who, under the same conditions, have lost both hands, shall be entitled to a pension of $25 per month."

If this law is construed in accordance with its phraseology, as I believe it is, it dooms to painful inequality many persons of the navy, who, having suffered equal loss, receive under the naval pension bill of July 14, 1862, but ten or eight dollars per month.

It cannot be supposed such distinction was intended; and perhaps it may require but a notice of the fact to secure for the sailor the same reward as is granted to the soldier. Though the subject does not fall within the province of this bureau, yet from the fact that its relations with the Pension Office are so intimate, I have ventured to bring the defects of the law to your notice, in the hope that some modifications may be effected in its existing provisions

CONCLUSION.

I deem it due to the few employés of this office to testify how cheerfully and faithfully they discharge the great and varied increase of duty which the present condition of the navy imposes. Sharing all the causes which have led to the multiplication of clerical force throughout the Navy Department, as indeed of all departments of the government, this office still retains the organization and force of peaceful times. It is only by constant and unremitting industry that the work is performed; and that so much is performed justly demands some recognition. I may add the further remark, that while this office maintains its former number of employés, the medical department, in all its ramifications, at hospitals, navy yards, and receiving ships, &c., has never cost the government a dollar for pay of clerks or writers.

Letters written during the year ending September 30, 1864, pressed and copied	8,845
Letters received during the year, keyed and filed	8,038
Reports of survey, certificates of ordinary disability, of death, &c., in duplicate	5,010
Quarterly reports of sick, tabulated, condensed, and registered	1,484
Requisitions, in duplicate, examined and approved	1,117
Bills and vouchers, in duplicate and triplicate, examined, approved, registered in day-book and ledger	3,157
References from Pension Office	236
Pension cases adjusted in this office and certificates forwarded	234

Certificates of death, ordinary disability, discharge, &c., formerly preserved in the department proper, but since July 1, 1861, transferred to this bureau, where they are bound, registered, and indexed, now fill 56 large volumes.

Very respectfully, your obedient servant,

W. WHELAN, *Chief of Bureau.*

Hon. GIDEON WELLES,
Secretary of the Navy.

RECAPITULATION OF ESTIMATES.

Surgeons' necessaries and appliances	$227,500
Contingent	75,000
Personnel of hospitals, pay of navy	81,094
Construction, improvement, and repair of hospitals	87,500
Total	471,094

W. WHELAN, *Chief of Bureau.*

THE MARINE CORPS.

Annual report and estimates for the year ending June 30, 1866.

HEADQUARTERS UNITED STATES MARINE CORPS,
Washington, October 22, 1864.

SIR: I have the honor to report that during my recent visit of inspection to the several marine posts, I was gratified to find that, notwithstanding quite a proportion of each command was composed of recruits, the evidences of care and attention on the part of the officers to bring them into a proper state of discipline were very decided, and the results of their efforts, as witnessed in the condition of their commands, were creditable and satisfactory.

At Portsmouth, New Hampshire, the barracks are in process of reconstruction, and when finished will give more ample and comfortable accommodation to the men.

It would be desirable, however, if an appropriation for the purpose could be obtained, to improve the construction of the outbuildings to the barracks, which, being old and of wood, are deemed unsafe and unsuitable. I have not thought it advisable, however, at this time, to direct an estimate for the purpose to be submitted.

At Boston the quarters for officers and men are in good preservation, and will require only the usual attention to wear and tear. At Brooklyn the men's quarters were in good condition, and the barrack grounds gave evidence of much care and labor having been bestowed upon them, but the site being on reclaimed ground, and the original grading imperfect, it will require time and some expense before it can be made all that is desirable. Certain changes suggested by the commanding officer, so as to permit free ingress and egress without injury to the grounds, are decidedly approved, and the authority of the department for that purpose will in due time be asked.

The officers' quarters need some attention, which can be done, however, from the regular annual appropriation for repairs. At Philadelphia the barracks, though small, afford suitable accommodation for a limited number of men, and, being in good repair, meet the wants of the service at this time.

At Norfolk the building occupied by the troops, though of a temporary character, is very well suited for the present, and needs no special attention.

The barracks at Mare island, California, have been completed since the date of last annual report from this office, and are now occupied by the troops, but, as the appropriation for the construction of officers' quarters, guard-house, &c., asked for during the last session of Congress, was not passed, it is to be hoped that this subject will, at a proper time, be again brought to the notice of Congress, so that all may be done possible to give to officers serving at so isolated a point as Mare island one of the comforts of a home, a proper house to live in. The present arrangement of quartering the officers in the same building with the men militates against the decorum important to be observed between rank and command, and, upon the ground of discipline alone, should be corrected as soon as circumstances will allow. The recruiting for the corps, since, by legislation bounties, &c., have been allowed, has been very successful, and, though its strength is now fully equal to the number authorized, I am still unable to comply with all the requisitions for guards for vessels going to sea. A small increase in the rank and file would not only enable me to meet these requirements, but, what is of equal importance, allow of sufficient time and concentration of troops at the several stations, to give guards, before going to sea, the instruction and drill necessary to make them good soldiers, so that from the start, being thoroughly instructed in their military duties, they could impart a tone

and bearing to the ship's company in harmony with the efforts of the officers of the ship to organize and discipline their commands.

During the past year a large portion of the corps has been actively employed in service aboard many of the ships composing the several squadrons, and the reports which have reached headquarters from officers of the corps, and officers commanding ships, bear evidence that in the gallant deeds done by our navy the marines have borne an honorable part.

In closing this brief report of the condition and wants of the corps which I have the honor to command, I trust I will be pardoned for referring, with some pride, to the near relations which it has always sustained in the service of our country to the navy of which it is a part.

From the time of the intrepid Decatur, at Tripoli, to that of our day under the daring Farragut, at New Orleans and Mobile, the corps has been so closely allied with the navy in its glorious achievements, that the praise bestowed upon the latter has naturally reflected upon the former; and through all this time the corps has continued to receive, from those whose gallant deeds in the past and to-day must adorn our naval history, that meed of praise which tells of the worth and the usefulness of the corps as a part of the navy.

May I not, then, with confidence point to the record of the corps and the testimony of the heroes of the navy for that evidence which commends it to the continued encouragement and support of a generous government?

Respectfully submitted, by your obedient servant,

J. ZEILIN, *Colonel Commandant.*

Hon. GIDEON WELLES,
Secretary U. S. Navy, Washington, D. C.

HEADQUARTERS MARINE CORPS,
Paymaster's Office, October 19, 1864.

SIR: I enclose herewith estimates, in triplicate, for pay and subsistence of officers, and pay of non-commissioned officers, musicians, and privates of the United States marine corps, for the fiscal year ending June 30, 1866.

The estimates now presented exhibit an increase of two hundred and forty-nine thousand seventy-nine dollars and sixty-five cents over those submitted for the present fiscal year, as follows:

Increase in pay, &c., of officers placed on the retired list, but retained on duty	$10,068 00
Increase in pay of enlisted men, per act of June 20, 1864	138,576 00
Increase in pay of messenger to commandant and staff, authorized by the Hon. Secretary of the Navy	435 65
Increase in bounty for enlistment, per act of July 1, 1864	100,000 00
Total increase	249,079 65

I am, very respectfully, your obedient servant,

J. C. CASH,
Paymaster Marine Corps.

Colonel JACOB ZEILIN,
Commandant U. S. Marine Corps, Headquarters.

Detailed estimate of pay and subsistence of officers, and pay of non-commissioned officers, musicians, and privates of the United States marine corps, from July 1, 1865, to June 30, 1866.

Rank and grade.	Number.	Pay per month.	PAY.		SUBSISTENCE.		Aggregate.
			Number of servants, at $22 50 per month.	Total.	Number of rations, at 30 cents per ration.	Total.	
Colonel commandant	1	$95	2	$1,680 00	12	$1,314 00	$2,994 00
Colonels, (one retired, but retained on duty)	2	95	2	3,360 00	6	1,314 00	4,674 00
Lieutenant colonels, (two retired, but retained on duty)	4	80	2	6,000 00	5	2,190 00	8,190 00
Lieutenant colonel, (retired)	1	80	.....	960 00	4	438 00	1,398 00
Majors, (one retired, but retained on duty)	5	70	2	6,900 00	4	2,190 00	9,090 00
Major, (retired)	1	70	.....	840 00	4	438 00	1,278 00
Adjutant and inspector, quartermaster and paymaster	3	80	2*	4,572 00	4	1,314 00	5,886 00
Assistant quartermasters	2	70	1*	2,244 00	4	876 00	3,120 00
Captains, (one retired, but retained on duty)	21	70	1	23,040 00	4	9,198 00	32,238 00
Captains, (retired)	2	60	.....	1,440 00	.....	.....	1,440 00
First lieutenants	30	50	1	26,100 00	4	13,140 00	39,240 00
Second lieutenants	30	45	1	24,300 00	4	13,140 00	37,440 00
Second lieutenant, (retired)	1	45	.....	540 00	4	438 00	978 00
Leader of the band	1	75	.....	900 00	.....	.....	900 00
Sergeant major	1	29	.....	348 00	.....	.....	348 00
Quartermaster sergeant and drum major	2	24	.....	576 00	.....	.....	576 00
Orderly sergeants	70	26	.....	21,840 00	.....	.....	21,840 00
Sergeants, 1st enlistment	90	20	.....	21,600 00	.....	.....	21,600 00
Sergeants, 2 l enlistment	80	22	.....	21,120 00	.....	.....	21,120 00
Corporals, 1st enlistment	140	18	.....	30,240 00	.....	.....	30,240 00
Corporals, 2d enlistment	120	20	.....	28,800 00	.....	.....	28,800 00
Musicians of the band	30	.....	.....	9,492 00	.....	.....	9,492 00
Drummers and fifers, 1st enlistment	64	16	.....	12,288 00	.....	.....	12,288 00
Drummers and fifers, 2d enlistment	56	18	.....	12,096 00	.....	.....	12,096 00
Privates, 1st enlistment	2,300	16	.....	441,600 00	.....	.....	441,600 00
Privates, 2d enlistment	700	18	.....	151,200 00	.....	.....	151,200 00
Bounty for enlistment	1,000	.....	.....	100,000 00	.....	.....	100,000 00
Clerks to colonel commandant, adjutant and inspector, quartermaster, paymaster, and assistant quartermaster	10	.....	.....	10,830 30	.....	.....	10,830 30
Steward and nurse in hospital at headq'rs	2	.....	.....	1,095 00	.....	.....	1,095 00
Messenger to colonel commandant and staff at headquarters	1	.....	.....	971 40	.....	.....	971 40
Messenger in assistant quartermaster's office, Philadelphia	1	.....	.....	638 75	.....	.....	638 75
Additional rations to officers for five years' service	.....	.....	.....	.....	120	12,264 00	12,264 00
Undrawn clothing	.....	.....	.....	.....	.....	15,000 00	15,000 00
Total	.....	.....	.....	967,611 45	.....	73,254 00	1,040,865 45

*The servant allowance of staff officers is $23 50 per month.

Respectfully submitted:

J. C. CASH, *Paymaster Marine Corps.*

HEADQUARTERS MARINE CORPS, *Paymaster's Office, October* 19, 1864.

HEADQUARTERS MARINE CORPS,
Quartermaster's Office, Washington, October 18, 1864.

SIR: I have the honor to transmit herewith triplicate estimates for the support of the quartermaster's department (marine corps) for one year, commencing July 1, 1865, and ending June 30, 1866.

These estimates show an increase of those submitted last year, as follows:

For provisions	$33,981 50
For clothing	16,290 00
For fuel	1,196 00
For military stores	1,000 00
For transportation, &c	3,000 00
For contingencies	15,000 00
For repair of barracks	7,000 00
Making an aggregate of	77,467 50

The above increase is occasioned by the advance in cost of food, labor, and material, and is believed to be as low as the necessities of the service will allow.

I am, very respectfully, your obedient servant,

W. B. SLACK,
Quartermaster Marine Corps.

Estimate of the expenses of the quartermaster's department of the marine corps for one year, from July 1, 1865, to June 30, 1866.

There will be required for the support of the quartermaster's department of the marine corps for one year, commencing on the 1st of July, 1865, in addition to the balances then remaining on hand, the sum of five hundred and fifty-eight thousand two hundred and twenty-two dollars and twenty-five cents.

For provisions	$169,907 50
For clothing	239,688 00
For fuel	32,626 75
For military stores, viz:	
Pay of mechanics, repair of arms, purchase of accoutrements, ordnance stores, flags, drums, fifes, and other instruments	16,000 00
For transportation of officers, their servants, troops, and for expense of recruiting	25,000 00
For repair of barracks and rent of offices where there are no public buildings	15,000 00
For contingencies	60,000 00
Amount required	558,222 25

Respectfully submitted

W. B. SLACK,
Quartermaster Marine Corps.

GENERAL ESTIMATES.

General estimate for salaries and contingent for the Navy Department and bureaus and northwest executive building during the fiscal year ending June 30, 1866.

	Estimate for 1865–'66.	Appropriated for 1864–'65.
Secretary's office—		
Salaries	$47,880	$47,400
Contingent	5,000	3,440
Bureau of Yards and Docks—		
Salaries	19,640	19,640
Contingent	1,800	800
Bureau of Equipment and Recruiting—		
Salaries	13,620	10,740
Contingent	800	500
Bureau of Navigation—		
Salaries	10,120	10,120
Contingent	800	800
Bureau of Ordnance—		
Salaries	19,196	17,220
Contingent	2,000	1,000
Bureau of Construction and Repair—		
Salaries	18,020	16,340
Contingent	1,000	1,000
Bureau of Steam Engineering—		
Salaries	11,020	10,740
Contingent	2,500	1,200
Bureau of Provisions and Clothing—		
Salaries	24,620	18,740
Contingent	1,500	1,000
Bureau of Medicine and Surgery—		
Salaries	10,820	10,540
Contingent	800	450
Southwest executive building—		
Salaries	4,752	3,960
Contingent	6,500	5,000
	202,388	180,630

Summary statement of appropriations required for the navy and marine corps during the fiscal year ending June 30, 1866.

	Office of Secretary of the Navy.	Bureau of Yards and Docks.	Bureau of Equipment and Recruiting.	Bureau of Navigation.	Bureau of Ordnance.	Bureau of Construction and Repair.	Bureau of Steam Engineering.	Bureau of Provisions and Clothing.	Bureau of Medicine and Surgery.	Marine Corps.	Aggregate.
Navy proper.											
Pay of the navy	$400,000 00	$186,016 00	$22,250,000 00	$347,237 50	$63,375 00				$81,094 00		$23,327,722 50
Construction and repair						$24,530,000 00					24,530,000 00
Purchase of hemp			570,000 00								570,000 00
Fuel for the navy			7,680,000 00								7,680,000 00
Equipment of vessels			5,800,000 00								5,800,000 00
Provisions								$12,923,280 75			12,923,280 75
Steam machinery							$17,145,000 00				17,145,000 00
Surgeons' necessaries									227,500 00		227,500 00
Ordnance					8,300,000 00						8,300,000 00
Navigation				447,000 00							447,000 00
Contingent	250,000 00	1,760,000 00		5,000 00		75,000 00	85,000 00	600,000 00	75,000 00		2,850,000 00
Clothing								1,000,000 00			1,000,000 00
Marine corps.											
Pay										$1,040,865 45	
Provisions										169,907 50	
Clothing										239,688 00	
Military stores										16,000 00	
Fuel										32,626 75	
Transportation										25,000 00	
Repairs of barracks										15,000 00	
Contingencies										60,000 00	1,599,087 70
Navy yards.											
Portsmouth	316,250 00										
Boston	493,500 00										
New York	065,663 00										
Philadelphia	1,285,680 00										
Washington	218,300 00										
Mare Island	348,800 00										
Norfolk	544,000 00										
Pensacola	171,000 00										
Sackett's Harbor	2,000 00										3,445,193 00

Summary statement of appropriations required for the navy and marine corps, &c.—Continued.

Heads of appropriations.	Office of Secretary of the Navy.	Bureau of Yards and Docks.	Bureau of Equipment and Recruiting.	Bureau of Navigation.	Bureau of ordnance.	Bureau of Construction and Repair.	Bureau of Steam Engineering.	Bureau of Provisions and Clothing.	Bureau of Medicine and Surgery.	Marine corps.	Aggregate.
Hospitals.											
Boston									$8,500 00		
New York									14,000 00		
Washington									30,000 00		
Norfolk									12,500 00		
Pensacola									10,500 00		
Memphis									7,000 00		
New Orleans									5,000 00		$87,500 00
Magazines.											
Portsmouth					$141,615 00						
Boston					16,378 00						
New York					439,000 00						
Philadelphia					97,210 00						
Washington					97,000 00						
Norfolk					10,000 00						
Mare Island					86,412 00						887,615 00
Miscellaneous.											
Pay of superintendents		$132,120 00									132,120 00
Naval Academy				$115,626 00							115,626 00
Naval Observatory				23,333 33							23,333 33
Nautical Almanac				33,605 00							33,605 00
Navy Asylum, Philadelphia		5,600 00									5,600 00
Support of beneficiaries		42,000 00									42,000 00
Miscellaneous stations		1,000,000 00									1,000,000 00
Pay of photographer					300 00						300 00
Pay of clerks, &c., ordnance department of navy yards					15,180 00						15,180 00
	$650,000 00	6,570,929 00	$36,300,000 00	971,801 00	9,266,470 00	$24,605,000 00	$17,230,000 00	$14,523,280 75	459,094 00	$1,599,087 70	112,187,663 28

RECAPITULATION.

Navy proper	$104,800,503 25
Marine corps	1,599,087 70
Navy yards	3,445,193 00
Hospitals	87,500 00
Magazines	887,615 00
Miscellaneous	1,367,764 33
	112,187,663 28

REPORT OF THE BUREAU OF STEAM ENGINEERING.

NAVY DEPARTMENT,
Bureau of Steam Engineering, November 28, 1864.

SIR: I have the honor to submit to the department the following statement of the operations of this bureau during the present administration:

The breaking out of the rebellion found the government, in effect, without a navy, and with an immense coast line of the most difficult formation to be stringently blockaded. For this purpose the few sailing vessels of the service were absolutely worthless, while the whole number of steamers consisted of only sixteen screw and six paddle-wheel vessels, with an aggregate burden of forty-two thousand two hundred and forty-four tons. This fleet was composed of four screw frigates with an aggregate of 13,431 tons, and a maximum speed of nine knots per hour. One screw sloop of 4,582 tons, and a maximum speed of eleven knots per hour. Five screw sloops with an aggregate of 9,707 tons, and a maximum speed of nine and a half knots per hour. Four screw sloops with an aggregate of 4,003 tons, and a maximum speed of 11.7 knots per hour. Two screw sloops with an aggregate of 1,610 tons, and a maximum speed of eight knots per hour. Two paddle-wheel sloops with an aggregate of 4,865 tons, and a maximum speed of eleven knots per hour. One paddle-wheel sloop of 1,600 tons, and a maximum speed of nine knots per hour. One paddle-wheel sloop of 1,446 tons, and a maximum speed of ten knots per hour; and two paddle-wheel gunboats with an aggregate of 1,000 tons, and a maximum speed of nine knots per hour. These vessels were scattered over the oceans of the world; a long time elapsed before all could be collected on our own shores, and then many needed extensive repairs before they could be despatched on service. The engineer corps of the navy was very small, and barely sufficient for the steamers.

The first act of the department was the construction of twenty-three screw gunboats of 507 tons each, and having a maximum speed of ten knots per hour. The machinery of four was designed and constructed by the "Novelty Iron Works" of New York city, under the direction of this bureau; that of the remaining nineteen was designed by this bureau, and constructed from its drawings and specifications by various establishments over the whole country. They proved excellent sea-boats, and carry a large battery in proportion to their tonnage. They have a draught of water of nine feet, and were built especially for blockaders at the mouths of the lesser southern rivers and harbors. These vessels have now been in constant use for nearly three years; have performed every variety of service, both in battle, as ocean cruisers, and on blockade; and their machinery has proved of the most reliable, economical, and efficient description. They have taken part in every attack from that on Port Royal to the last victory in Mobile bay.

In order to save time, which was of the first consequence, the bureau at once contracted with the original builders of the machinery of the Iroquois, Wyoming, Mohican, and Seminole, for duplicate engines and boilers for the Oneida, Tuscarora, Kearsarge, and Wachusetts. The only change was the substitution of Sewell's surface condenser for Pirson's, and of fixed four-bladed screws for the two-bladed hoisting ones. The hulls of all these vessels are nearly identical, and the maximum speed is 11.7 knots per hour.

There were next constructed by the department twelve double-bowed paddle-wheel steamers, the machinery of which, with the exception of that of the Miami, designed and built by Merrick & Sons, of Philadelphia, were made by various establishments from the drawings and specifications of this bureau. These vessels had an aggregate burden of 10,200 tons, and a maximum speed of eleven knots per hour.

In the autumn of 1861 ten screw sloops were constructed with an aggregate of 13,544 tons, the machinery of which was built by various establishments from the drawings and specifications of this bureau. These vessels were to have a maximum speed of eleven and a half knots per hour. Their machinery, which was very simple in design, and strongly built, proved entirely successful, giving the vessels a higher speed than that of any others in the navy, either paddle-wheel or screw, purchased or constructed. The maximum speed proved from twelve to thirteen knots per hour, and could be maintained for many consecutive hours. They have proved highly efficient vessels as blockaders, in battle, and as ocean cruisers.

In the autumn of 1862 a second set of twenty-seven double-bowed paddle-wheel steamers was commenced by the department, with machinery constructed by various establishments from the drawings and specifications of this bureau. These vessels were of 974 tons burden each, making an aggregate of 26,298 tons. Their maximum speed is fourteen and a half knots per hour.

After the completion of these vessels, the construction of six iron double-bowed paddle-wheel steamers, of 1,030 tons each, was commenced with machinery built by different establishments from the drawings and specifications of this bureau. These vessels have an aggregate budren of 6,180 tons, and an intended speed of fifteen knots per hour. They are just on the point of completion, two having already made their trial trips.

There is now in progress of construction the machinery for twenty screw steamers of 2,200 tons burden each, making an aggregate of 44,000 tons. This machinery, which is being constructed by different establishments from the drawings and specifications of this bureau, is now about half completed, and is calculated to give the vessels a maximum speed of thirteen knots per hour.

At the same time there was commenced the construction of the machinery for four screw steamers of 3,200 tons each, making an aggregate burden of 12,800 tons. The engines are geared, have cylinders of one hundred inches diameter, and a stroke of piston of four feet. They are intended to give the vessels a maximum speed of fifteen knots per hour, and have been built from the drawings and specifications of this bureau. They are now about half completed.

There are also in progress of construction at the Charlestown navy yard four pairs of screw engines from the drawings of this bureau, with cylinders of fifty inches diameter, and a stroke of piston of four and a half feet; also, at the New York navy yard, four pairs of similar engines. The eight vessels for this machinery will have an aggregate burden of 11,200 tons, and a maximum speed of twelve and a half knots per hour.

At the Washington navy yard there is being constructed, from the drawings and specifications of this bureau, three pairs of screw engines, with cylinders of thirty-six inches diameter and three feet stroke of piston. These vessels are of 970 tons each, making an aggregate of 2,910 tons, and are intended to have a speed of twelve knots per hour for the maximum.

At the same yard there is also being constructed one pair of geared screw engines, with cylinders of one hundred inches diameter, and a stroke of piston of four feet. They are made from the drawings of this bureau, and are intended for a vessel of 3,200 tons, which is to have a maximum speed of fifteen knots per hour.

At the same yard, too, there is under construction, from the drawings of this bureau, a pair of screw engines, with cylinders of sixty inches diameter and a stroke of piston of three feet, intended for a vessel of 2,200 tons, which is to have a maximum speed of thirteen knots per hour.

There have also been constructed, from the drawings and specifications of the bureau, the machinery of the wooden armored double-turreted vessels Miantonomah and Tonawanda, and, with the exception of the engine proper, of the duplicate vessels Monadnock and Agamenticus. These vessels are of 1,564 tons burden each, making an aggregate of 6,256 tons, and have a sustained speed of nine and a half knots per hour, with a maximum speed of eleven knots.

The engines for the screw frigate Franklin are in course of construction from the drawings and specifications of the bureau. They are about half completed, and are calculated to give the vessel, which is of 3,684 tons burden, a speed of ten knots per hour for the maximum.

There have been lately completed the three first-class new gunboats Nipsic, Nyack, and Shawmut, of 593 tons each, making an aggregate of 1,779 tons. Their machinery was built from the drawings and specifications of this bureau, and the vessels have a maximum speed of eleven and a half knots per hour.

From the preceding it will be seen that this bureau has furnished the drawings and specifications for the machinery of one hundred and sixteen steamers, having an aggregate burden of 149,906 tons; besides supplying the necessary drawings and directions for the alteration or renewal, in whole or in part, of the machinery of a very large number of vessels additionally.

The following machinery has been constructed under contract with this bureau from drawings and specifications furnished by the contractors. It is additional to what has already been described.

1st. For the screw steamer Chattanooga, of 3,000 tons, by Merrick & Sons, of Philadelphia.

2d. For the screw steamer Madawasca, of 3,200 tons, by John Ericsson.

3d. For the screw steamer Idaho, of 2,500 tons, by E. N. Dickerson.

The machinery of these three vessels is competitive with that of the geared engines of one hundred inches diameter of cylinder designed by the bureau, and is about half completed.

4th. For the gunboat Yantic, of 593 tons, by Merrick & Sons, of Philadelphia.

5th. For the gunboat Pequot, of 593 tons, by William Wright.

6th. For the gunboat Saco, of 593 tons, by Messrs. Corliss, of Providence, Rhode Island.

7th. For the gunboat Kansas, of 593 tons. This machinery was captured in an English blockade runner, and was built for the rebel service in England.

8th. For the gunboat Maumee, of 593 tons; engines by John Ericsson

The machinery of these five screw gunboats is competitive with that designed by the bureau for the Nipsic. The Saco's machinery has proved a failure, and will probably have to be removed from the vessel. Those of the Yantic, Kansas, Maumee, and Pequot have given results much below that of the Nipsic. The machinery of the Maumee and Pequot could only be got to work after months of alteration after it was completed on the original design.

The machinery of the Pensacola, a steamer of 2,158 tons, built from the designs of E. N. Dickerson and F. E. Sickels, having proved, after lengthened trials, a complete failure, and being condemned by several boards of marine engine-builders, naval engineers, and chiefs of bureaus as irremediable, has been removed from the vessel, and will be replaced by a pair of screw engines with

cylinders of sixty inches diameter, and a stroke of piston of three feet, designed by the bureau.

Our navy having become a very large one, and consisting almost exclusively of steamers, with enormous consumption of coal, and great expend.tures for the building and repair of its machinery, it is of the first consequence that this machinery be of the best quality and managed in the best manner. The problem is a difficult one, and its solution slow and costly. It combines so many elements, that the great maritime countries of England and France have not yet reached it either in their war or commercial navies. In them, as in ours, nothing is to be found but variety; and the practice is as numerous as the practitioners, as prominence is given more or less to some of the many conditions involved.

In the machinery designed by this bureau for the navy, the governing principles have been fairness of parts; strict connexions without articulations; simplicity of combination, with such arrangement of the essential organs as to admit of easy access and constant observations; great extent of wearing surfaces, in journals, guides, &c., and a strength of parts insuring against fracture from bad materials, workmanship, bad management, and the greatest possible abnormal strains. The first object to be attained is mechanical success. The machine must be made durable, reliable, always ready for its work, and capable of performing it properly, even in the most unskilful hands. After those are secured economy of fuel is the desideratum.

The valve-gear for the screw-engine is the lap side-valve, fitted with Waddell's equilibrium plate, and mounted upon Bristol's rollers. It is worked by the Stephenson's link, and has a range of expansion momentarily variable from one-third to two-thirds of the stroke of the piston. By a judicious choice of proportions this valve-gear, in the simplest manner, effects the best possible practical distribution of the steam in the cylinder. It admits a variable expansion, and allows a much greater measure of it than is economical to employ, giving at the same time such release and cushioning to the steam as is found necessary to the economy and smooth working of the machine. As a mechanism, it is the simplest and most obvious ever devised for the purpose, and seems scarcely to admit of improvement or of being superseded.

Sewell's surface condenser is used in all cases, long experience having proved it to be the least bulky, most efficient and most reliable of any. It requires less skill and intelligence in those managing it than the common jet condenser.

Martin's vertical water-tube boiler has been principally built, though a great many steamers have been supplied with the horizontal fire-tube boiler. The choice for the naval service seems narrowed to those types, and the bureau has had them experimented on in every variety of size and proportion, in order to ascertain their relative merits in economy of fuel, quantity of steam furnished, and practical adaptability. The results of these experiments have in all cases been considerably in favor of the vertical water-tube boiler. A board, consisting of the principal steam-engine builders of the country and the chief of this bureau, is now experimenting with critical accuracy on two boilers of the respective types, for the purpose of definitively determining their relative merits for the naval service under every variety of circumstance and of proportion. It is believed the results will be of the utmost importance to all engaged in the manufacture and use of steam machinery.

Another board, consisting of three members of the Franklin Institute, three of the Academy of Science, and three on the part of the department, are now experimenting with the utmost precision on machinery devised by Mr. Horatio Allen, of the Novelty Iron Works, New York city, one of the board, to determine by practical results the economy of using steam with different measures of expansion, under different conditions of mechanism, pressure, and back pressure. It

is believed these experiments will give a correct practical solution to a very vexed problem, and be of incalculable benefit.

The bureau has availed itself of every opportunity, in the repair of steamers, to make with their machinery at the wharf lengthened experiments on the economy of using steam with different measures of expansion under all possible variations of condition and of mechanism. These experiments have been made on the grandest scale, with the utmost possible care and completeness, with every variety of type and proportion of machinery, and every known form of expansion gear. They have been made with superheated as well as with saturated steam; but under all conditions the general result proved the fallacy of expecting any economic gain to be derived from expanding steam beyond very moderate limits.

Experiments have also been made on superheated steam, which show a decided and important economy in its use over saturated steam. All boilers now made for the naval service are fitted with superheating apparatus.

Nearly all the various coals of the seaboard States have been the subject of careful experiment, to ascertain their relative value for naval purposes. A board of engineers has also experimented with petroleum as a substitute for coal in naval steamers; but while the results were very favorable, the furtherd evelopment of this important substance as a fuel has been prevented by the discovery that when exposed to the air of a confined space at summer temperature, it gives off, even through the open bunghole of a barrel, a gas which, when mixed with atmospheric air, becomes explosive and detonates with the force of gunpowder. Until a practical remedy for this is found, it is manifestly useless to experiment upon the best form of apparatus for burning it.

In the steamers bought from the commercial navy of the country, and in the captured blockade runners now adopted for naval service, every variety of marine machinery is to be found, constructed either in America or Great Britain, both screw and paddle-wheel. So far as the exigencies of the war would permit, the different types have been subjected to careful experiment to ascertain their relative merits. Nearly every variety of boiler and of expansion-gear, of rate of expansion, and with both superheated and saturated steam, and of condenser, screw and paddle-wheel, has been made the subject of accurate experiment, and it is believed the files of the department contain the latest and most reliable information on this subject, compared with which the experience of parties outside the department must necessarily sink into insignificance.

The number of establishments in the United States capable of constructing marine machinery is very few, and in addition to the work offered by this bureau, they were extensively engaged on other for the War Department, for the merchant service, and for different bureaus of the navy. It is believed that under no possible pressure could this bureau have obtained another engine from them. Many of them were also extensively occupied with repairing as well as building machinery, and the repairs necessarily had the preference. The navy yard shops were at first almost exclusively occupied with repairs, but are now largely engaged in manufacturing steam machinery, and will probably be able to furnish it as fast as the wants of the department require.

For so large an amount of work thrown at once upon a very limited market, and to be executed in the least possible time, there existed neither skilled labor nor materials; both had to be created, and, as was inevitable, there was employed much of bad materials and worse workmanship. Neither did there exist a sufficient number of expert engineers to manage the machinery when furnished; they, too, had to be educated; and to these causes must be attributed the principal part of the accidents and deficiencies that have occurred. Those, however, have been wonderfully few in proportion to amount of machinery in constant use—as small a proportion, probably, as can be found at any time in any service.

All the screw machinery lately constructed and in progress lies well below

the water line, and is entirely protected from shot, the hulls having been sufficiently lengthened to admit this arrangement, with such power as was necessary to give the higher speeds now found to be desirable.

All of which is respectfully submitted by, sir, your obedient servant,

B. F. ISHERWOOD, *Chief of Bureau.*

Hon. GIDEON WELLES,
Secretary of the Navy.

Estimate of amount required for incidental expenditures, or contingent, for the fiscal year ending June 30, 1866.

Salaries and contingent expenses	$13,520 00

Naval service.

Construction, repairs, &c., of machinery	$17,145,000 00
Contingent expenses	85,000 00
	17,230,000 00

INSTRUCTION IN STEAM ENGINEERING.

Report of the examination of the graduating class of midshipmen at the Naval Academy in steam engineering.

NAVY DEPARTMENT, BUREAU OF STEAM ENGINEERING,
November 26, 1864.

SIR: In obedience to your order of the 17th instant I proceeded to the Naval Academy at Newport, R. I., for the purpose of witnessing the proficiency of the graduating class of thirty-five midshipmen in practical steam engineering.

The machinery of the United States screw gunboat Marblehead having been placed in the hands of the class, they performed with it, during a run of about forty miles, all the functions of coal-heavers, firemen, oilers, and watch-engineers; exhibiting quite as high a degree of skill in its manipulation and as much knowledge of the uses of its various contrivances as is ordinarily shown by third assistant engineers on their first entrance into naval service. All the manœuvres of which the machinery was susceptible were performed by the young gentlemen of the class, and in the most prompt and intelligent manner. They evinced great interest in these duties, and showed an aptitude hardly to be expected from the brief experience they had had in so exclusively practical a subject. When, in succeeding classes, this experience is extended over the full length of the term, and with the advantage of special instructions in the purely mechanical action and uses of the various elementary parts of marine steam machinery, it is believed that the graduates of the academy will take with them into the naval service a sufficient degree of knowledge and skill in practical steam engineering to make them competent watch-engineers, and after further experience with the more extensive machinery of the large cruisers, on board of which they will serve, they will be qualified to discharge any duty that may be required afloat of a naval engineer.

As the navy has become, and must inevitably continue to be, almost exclusively a steam navy, sails being used as auxiliary only, it is scarcely neces-

sary to enlarge on the great advantages that would follow from the thorough education of its officers in practical steam engineering. In the origin of navies, the officers were not even sailors, but landsmen, wholly destitute of nautical experience, and placed on board as police, soldiers and artillerists, while everything relating to the sailing of the vessel was with the hands of a distinct organization of sea officers; experience soon demonstrated the disadvantages of so incongruous a system, and the officers, in addition to their duties of soldiers and artillerists, were instructed in seamanship, and became the navigators as well as the combatants of their vessels. On the introduction of steam machinery, it was necessary to provide a corps of engineer officers for its management, for the same reason that it was formerly necessary to place sailor officers on board, and the locomotion of the vessel fell again into the hands of one organization, while another had control of its battery and police. There seems no reason why on this, as on the previous occasion, the entire duties of the vessel should not be performed by one set of officers, and it is believed the economy and efficiency of the service would be greatly promoted by such a system. It is clearly no more difficult to instruct intelligent and well educated young men in the manipulation of machinery, than in that of sails and rigging. If the addition of seamanship to the other knowledge required in a naval officer could be made, surely a sufficient expertness in practical steam engineering can be added to enable the officer to properly perform the duties of a watch-engineer, especially as the practice of seamanship is, in a great measure, in abeyance on board of steamers when that thorough knowledge of it required with purely sailing vessels can neither be obtained nor is necessary. Again, although the sea officer should never have occasion to put his skill in engineering to practical use, yet it is evident his abilities to perform other duties connected with his profession, as well as his confidence in himself, will be much increased by such knowledge. Under the present system, the sea officer, in a great degree, must feel himself a mere passenger on board a steamer, his deck duties requiring but slight experience, and being of little importance compared with those of the engine-room, besides requiring really less ability for their discharge. By the present system as many engineers as sea officers are required, and with about equal rates of pay. Could the duties of both be combined by one organization of officers, more space would be available in the vessel for military purposes, and the cost of maintaining the navy be considerably lessened.

I would take this occasion to make a few suggestions regarding the course of instruction to be pursued at the academy in steam engineering.

1st. A small workshop should be provided, with lathes, planing machines, vice benches, forges, &c., where some knowledge of the use of tools could be acquired. This should be under the management of a competent mechanic.

2d. A steamer of not less than 700 tons should be attached to the academy, with screw machinery of the best design, and the midshipmen should be exercised in its manipulation, including taking it apart and reconstructing it as frequently and as thoroughly as they are now similarly taught in seamanship. For this purpose there should be specially provided at least two of the best practical and scientific engineers of much sea experience in the management of such machinery. It should be their sole duty to instruct, not only in the uses of the different elementary parts of the machinery, but in the reasons for their particular form and proportions, pointing out the advantages and disadvantages of their various modifications and combinations, and aiming to impart the knowledge in such manner that it may be applied with intelligence and not by parrot-like routine.

3d. There should also be attached a department, under a competent engineer, of mechanical draughting, in which the midshipmen should be taught to properly delineate the elementary parts of machinery, and to make a working drawing of anything his judgment enables him to devise.

4th. A good set of working models of the various elementary parts of marine steam machinery and of instruments should be collected and properly arranged in the academy.

5th. The board of examiners should contain two or more engineers, and the midshipman should be required to be at least as proficient in steam engineering as in seamanship and navigation, to enable him to pass.

6th. The physical sciences of chemistry and metallurgy, and the science of applied mechanics, should be taught with the greatest care, as essential to sound engineering.

7th. Certain petty officers should be appointed for each steamer, consisting of first rate mechanics, sufficient in number to do all the repairs upon its machinery that are ordinarily practicable at sea with the means on board. They should be distributed in regular watches, as oilers, &c., and their appointment should be permanent, and their pay sufficient to command the best men.

If it be necessary to somewhat lengthen the academic term to embrace the additional studies sketched above, it is believed the result would amply warrent it in the benefit that would result to the country and to the officers personally.

All of which is respectfully submitted by, sir, your obedient servant,

B. F. ISHERWOOD,
Chief of Bureau.

Hon. GIDEON WELLES,
Secretary of the Navy.

REPORT

OF THE

SECRETARY OF THE TREASURY.

TREASURY DEPARTMENT,
December 6, 1864.

In presenting to Congress his annual report on the state of the finances, in obedience to the requirements of law, the Secretary of the Treasury feels that, while there is no occasion to distrust the ability of the people of the United States to bear the great and increasing burdens imposed upon them by the arduous and prolonged struggle for national existence in which they are engaged, there is, nevertheless, much in the financial condition of the government which requires careful and anxious consideration. Among the serious duties devolved upon him, the Secretary recognizes a full and clear exposition of that condition as first in importance, in order that the wisdom of Congress may provide a remedy for existing evils, and guard against the recurrence of similar evils in the future.

The Secretary's assumption of office was so nearly coincident with the commencement of the present fiscal year, that he would be naturally impelled to begin by stating the exact condition of the Treasury upon that day. Before proceeding to do so, however, a brief review of the financial measures adopted since the outbreak of the rebellion, and of their operation and effect, may not be without value in endeavoring to arrive at just conclusions with regard to the future.

On the fourth day of March, A. D. 1861, the national debt was, comparatively so inconsiderable as hardly to deserve the name. Accustomed to a degree of prosperity before unexampled in the history of nations, the people of the United States had grown rich and powerful, without being conscious of national burdens, and equally unconscious of their own vast and increasing ability to sustain a weight which, could it have been anticipated, might have seemed altogether beyond their strength. Unaccustomed, for a long course of years, to great national efforts, it was fortunate that their power of endurance should be tested only by degrees, as the struggle which Providence had prepared for them developed its vast proportions, and the necessity of great and long-continued effort became apparent. Had it been then foreseen that what was believed to be a contest for months was to be continued for years, and that hundreds of millions of public

debt would be swollen into thousands of millions before the close of that contest, it may well be doubted whether, ignorant as they were of their own immense resources, the people might not have shrunk appalled from an undertaking which contemplated sacrifices so far exceeding all former experience.

In his first report to Congress, made on the fourth day of July, 1861, my predecessor estimated the whole amount required for the service of the fiscal year ending June 30, 1862, at $318,519,581 87. To meet this anticipated expenditure, Congress, by an act approved July 17, 1861, authorized a loan of $270,000,000, which, with the ordinary revenues, was considered an ample provision for the exigencies of the year. By an act approved August 5, 1861, Congress further authorized a direct tax of twenty millions, and a tax of three per centum on the excess of all incomes over eight hundred dollars per annum. It was not anticipated, however, that any revenue, derived from these last mentioned sources, would be available within the year.

Experience proved that the estimate of the Secretary, though founded on what seemed to be reliable data, was altogether inadequate; and in his report of December 9, 1861, he was compelled to ask Congress to provide for a probable deficiency of $213,904,427 62. In the same report he estimated the expenditures of the fiscal year commencing on the first day of July, 1862, at $475,331,245 51.

On the 30th of December, 1861, and soon afterwards, most of the State banks suspended specie payments.

In view of this condition of affairs, and of the large appropriations called for to meet the public wants, Congress passed various laws, which need only be alluded to. It had become manifest that, while much the largest portion of the amount required must be provided by loans in some form, resort must be had to a wider and more stringent taxation, in order to preserve the credit of the government. Accordingly, the act of July 1, 1862, called the internal revenue law, was passed, providing for a levy of duties on various domestic manufactures, upon trades and occupations, and also providing a system of stamp, income, and other duties. This important measure, it was hoped, would, in connexion with the duties on imports, and the sums derived from other sources, furnish such a proportion of the revenue needed as would place the national credit upon a stable foundation, through the evidence thus afforded of a readiness to impose on the present a reasonable share of public burdens, leaving to the future no more than, in justice, it ought to bear. If these hopes were not realized, the disappointment was, perhaps, imputable, in a great degree, to the facts that the system adopted was one to which the people had not been accustomed, that the machinery was complicated, the officers who were to execute it inexperienced, and that sufficient allowance was not made for the important element of time, which alone can give to any such system the requisite efficiency.

With a like view to increase the revenue, and to sustain our own industry under the burden imposed by the internal revenue law, Congress, by an act approved July 14, 1862, largely increased the duties on imports. It was justly believed that these measures could hardly fail to inspire confidence in the ability

and purpose of the nation to meet all its obligations in the present and the future.

The necessities of the treasury were, however, immediate. To raise money in large amounts by taxation, and even by loans, requires more time than can always be afforded with large armies in the field and great navies afloat. The demands of war are imperative, and cannot await the slow process of financial negotiations. To meet a demand thus urgent, Congress, by acts of February 25 and July 11, 1862, saw fit to authorize the emission of United States notes to the amount, including sixty millions of treasury notes previously authorized, which were to be redeemed and cancelled, of three hundred millions of dollars, as a substitute for coin, declaring them a legal tender for debts, public and private, and clothing them with all the requisites of currency. These notes were convertible, at the will of the holder, into bonds of the United States, paying interest at six per centum, semi-annually, in coin, to secure which the revenue from customs, also payable in coin, was specifically pledged. The same act of February 25, 1862, authorized the issue of bonds to the amount of five hundred millions, increased subsequently to five hundred and eleven millions, redeemable after five years and payable in twenty years from date.

Notwithstanding the ample provision supposed to be made by Congress for the expenditures of the fiscal year ending on the 30th of June, 1863, the report of the Secretary, submitted on the 4th of December, 1862, showed a deficiency for the current year of $276,912,517 66; while the estimated amount of expenditures over receipts from ordinary sources for the succeeding year was $622,388,186 56. To provide for the aggregate of these amounts, Congress, by an act approved March 3, 1863, authorized a loan of three hundred millions for the then current, and of six hundred millions for the then next, fiscal year. By the second section of the same act the Secretary was authorized to issue, as a part of said loan, four hundred millions in amount of treasury notes, bearing interest at a rate not exceeding six per centum per annum, payable in lawful money, which notes, payable at periods expressed on their face, might be made a legal tender at their face value. By the third section, one hundred and fifty millions in amount of United States notes, of a like character with those previously issued under the provisions of former acts, were authorized as a part of said loan.

It will be seen that, by the several acts of Congress referred to, government paper, as a substitute for coin, under the respective designations of United States notes and treasury notes, might be issued to the amount of eight hundred and fifty millions of dollars, viz: United States notes, not bearing interest, to the amount of four hundred and fifty millions, but of which fifty millions were to be held in reserve for the redemption of temporary deposits, and to be replaced as soon as possible, thus leaving the whole amount intended for circulation but four hundred millions; and four hundred millions of treasury notes, bearing interest, and which it was hoped and believed would not remain in circulation, as they could be made a legal tender only for their face value, without interest.

In the preceding enumeration of the several acts passed by Congress with a view to provide the large means required to meet annual expenditures to a period including the fiscal year 1864, no reference has been made to several auxiliary measures, designed to meet the exigencies of the hour, but neither enlarging nor diminishing the amount required, and serving no other purpose than a mere temporary resource. Of such was the act of March 1, 1862, authorizing the issue of certificates of indebtedness, payable one year or less after date, with six per cent. interest, and the several acts authorizing the Secretary to receive deposits at the treasury for a period not less than thirty days, to be repaid at ten days' notice. Of a somewhat similar character, from its necessarily limited amount, is the fractional currency authorized by the fourth section of the act of March 3, 1863.

The object of the Secretary in calling attention to these various acts of Congress in connexion with the estimates of his predecessor is to show—

First. The utter impossibility, in times like the present, of ascertaining with any degree of certainty prospective demands upon the treasury. Estimates, apparently, on the most liberal scale may be, as they have been, found inadequate. Hence arise large deficiencies, occasioned by an unexpected increase of military force in the first place, and upon a rise of prices for material invariably consequent upon military operations conducted upon a gigantic scale, even if the currency could be maintained in a sound and natural condition.

Second. The difficulty of fixing upon any policy not subject to the contingencies of the hour. It is, in the Secretary's judgment, not only difficult but impossible to apply fixed rules to a condition of affairs constantly changing, or to meet contingencies which no human wisdom can foresee by a steady application of general laws, especially in a government, and with a people, where public opinion is the controlling element, and that opinion is not under the direction of those who may happen to administer public affairs. Accordingly it has been seen that the attempt to conduct financial operations, on so immense a scale, upon a strict specie basis soon proved impracticable.

Resort to some other species of currency of a national character became unavoidable, as was unanswerably demonstrated by my predecessor in his report of December, 1862. Fraught with danger as government paper has almost invariably proved, there was, under the circumstances, no other resource. Of course, the danger increases with enlarged demands upon the treasury, growing out of increased expenditures, a rise of prices occasioned by an increase of taxation on articles of consumption, the withdrawal of labor from productive pursuits, accompanied by an aggravated demand for products and material, incident to a state of war. The problem to be solved is how to mitigate the evil, if it cannot be wholly avoided. If loans can be negotiated at reasonable rates, and the treasury can be thus kept in a condition to meet current demands, it is not difficult to restrain the circulation of government paper within safe limits. But this, not always certain in a time of peace, though with abundant resources it

always should be, is often impossible when war upon a large scale, and long continued, has created distrust. Hence it has followed that, under the acts referred to, our bonds have assumed various forms, to suit what was supposed to be the choice of lenders. Our notes have shown a similar diversity of character, while it has been found impossible to avoid the necessity of using them to an extent which could not but aggravate the troubles incident to the necessities of our condition.

Yet, though forced to resort to the issue of paper for the time, the idea of a specie basis was not lost sight of, as the payment of interest on long loans in coin was amply secured. And though, in several of the acts authorizing the issue of bonds at long periods, payment of the principal at maturity in coin is not specifically provided, the omission, it is believed, was accidental, as there could have been no intention to make a distinction between the different classes of securities in this regard. It is respectfully recommended to remove all doubt upon this point by proper legislation.

Although the wisdom of thus securing the payment of interest on bonds in coin has been questioned, and the pledge of the receipts from customs, to be collected in coin for that purpose, has perhaps facilitated the operations of those disposed to enhance the price of gold for speculative purposes, the Secretary is of the opinion that these measures were not only wise, but necessary at the time, and greatly aided in sustaining public credit.

The expenditures for the preceding fiscal year so slightly exceeded the estimates of the department, that at the last session of Congress it was not considered necessary to increase the amount authorized to be borrowed by existing laws. Experience had shown, however, that some changes of form were advisable. By an act approved March 3, 1864, authority was given to the Secretary to issue bonds to the amount of two hundred millions in lieu of so much of the loan authorized by act of March 3, 1863, redeemable after any period not less than five years, and payable not more than forty years from date. At a subsequent period of the session, June 30, 1864, the authority conferred by the first section of the act of March 3, 1863, was repealed, except so far as it affected an amount of seventy-five millions then advertised, and power was given to borrow four hundred millions of dollars on bonds redeemable after five years, and payable not more than forty years from date. By the second section of the same act authority was conferred to issue, in lieu of the same amount of bonds, two hundred millions in treasury notes, which might be made a legal tender at their face value, bearing interest at a rate not exceeding seven and three-tenths per centum, payable in lawful money, and convertible, at the pleasure of the Secretary, into bonds issued under the authority of said act. The Secretary was further empowered to substitute for treasury notes issued under former acts an equal amount of notes such as were therein authorized.

A table is appended to this report, showing the amounts issued under the several acts hereinbefore referred to, to the beginning of the present fiscal year, from which it appears that, by the laws in force on that day, the Secretary had

authority to borrow, on the credit of the United States, the amounts following, viz:

1. Under the act of March 3, 1863, so much of seventy-five millions, advertised previously to June 30, 1864, as had not been awarded to bidders	$32,459,700 00
2. Under the act of March 3, 1864, so much as had not been subscribed for, and paid into the treasury, viz:	127,603,520 00
3. Under the act of June 30, 1864	400,000,000 00
4. Amount of treasury notes issued under former acts, which had been redeemed and cancelled, and which the Secretary was authorized to replace by notes issued under the act of June 30, 1864	62,191,400 00
Total available resources under laws authorizing loans	$622,284,625 00
To this may be added the actual balance in the Treasury, July 1, 1864	18,842,588 71
Total	641,127,213 71

A statement of the receipts and expenditures, estimated and actual, for the year ending June 30, 1864, will show how this balance in the treasury is obtained, and the increase of the public debt during the year, viz:

RECEIPTS.

	Estimated.	Actual.
From customs	$72,562,018 42	$102,316,152 99
Lands	436,182 09	588,333 29
Miscellaneous	5,641,542 04	47,511,448 10
Direct tax	000 00	475,648 96
Internal revenue	77,599,713 59	109,741,134 10
Total	156,239,456 14	260,632,717 44
Add balance, July 1, 1863	5,329,044 21	5,329,044 21
Aggregate	161,568,500 35	265,961,761 65
Estimated receipts from loans	594,000,000 00	618,114,884 92
	755,568,500 35	884,076,646 57

EXPENDITURES.

	Estimated.	Actual.
For civil service	$34,267,811 52	$27,505,599 46
Pensions and Indians	7,840,314 81	7,517,930 97
War Department	885,479,511 11	690,791,842 97
Navy Department	112,979,186 60	85,733,292 77
Interest on debt	59,165,136 38	53,685,421 69
	$1,099,731,960 42	$865,234,087 86

Brought forward	$1,099,731,960 42	
Deduct estimated balances undrawn	350,000,000 00	
	749,731,960 42	
Estimated balance	5,836,539 83	$18,842,558 71
From actual receipts from loans		618,114,884 92
Deduct balance on hand July 1, 1864		$18,842,558 71
It shows amount received from loans applied to service of year ending June 30, 1864		$599,272,326 21

The statement may be more intelligible in another form, as follows:

Actual expenditures for fiscal year	$865,234,087 86
Deduct receipts from ordinary sources, and balance from preceding year	265,961,761 65
Balance provided from loans applied to service of year	$599,272,326 21

The amount derived from loans, specifically stated, is as follows, viz:

From fractional currency, exceeding amount redeemed	2,702,421 25
5.20 bonds, act of February 25, 1862	321,557,283 41
6 per cent. bonds, act July 17, 1861	30,565,875 45
10.40 bonds, act March 3, 1864	73,337,600 00
Twenty years 6 per cents., act March 3, 1863	42,141,771 05
United States notes, act February 25, 1862	43,859,821 46
One year 5 per cent. notes, act March 3, 1863	44,520,000 00
Two years' 5 per cent. notes, act March 3, 1863	152,864,800 00
Three years' 6 per cent. compound interest notes	15,000,000 00
Certificates of indebtedness exceeding amount redeemed	4,098,758 35
Whole amount	$730,642,410 97
Of which amount there was applied to repayment of public debt	112,527,526 05
Which deducted, it leaves applicable to expenditures	$618,114,884 92
Deduct balance July 1, 1864	18,842,558 71
Balance applied to service of the year	$599,272,326 21

The public debt, as stated by my predecessor, in his report of December 10, 1863, was	$1,098,793,181 37
To this should be added amount paid into the treasury previous to July 1, 1863, for which evidences of debt were subsequently issued	23,782,423 20
Amount of debt July 1, 1863	$1,122,575,604 57

Brought forward	$1,122,575,604 57
Add amount of loans applied to actual expenditures as above, and balance in the treasury July 1, 1864	618,114,884 92
It gives amount of public debt July 1, 1864	1,740,690,489 49

The very large comparative receipts from miscellaneous sources require explanation. They are accounted for as follows, viz:

From captured and abandoned property	$2,146,715 09
Premium on gold shipped from San Francisco to London	2,799,920 64
Sales of prizes and due to captors	4,088,111 42
Internal and coastwise intercourse fees	5,809,287 20
Premium on sales of gold coin	16,498,975 49
Commutation money	12,451,896 15
All other sources	3,716,542 11
Total	$47,511,448 10

The Secretary is of the opinion that not over twenty-five millions can be safely calculated upon as likely to accrue from similar sources during the current year.

The item of "premium on gold shipped from San Francisco to London," may also require further explanation. In March, 1863, it became necessary to transmit a considerable amount of funds to London, for a special purpose, for which an appropriation had been made by Congress, and it was thought advisable to deposit a certain amount of our securities with an eminent London banker, against which bills might be drawn. Five-twenty bonds, to the amount of ten millions, were, accordingly, placed in the hands of two distinguished citizens, to whose care the negotiation was committed. The negotiation failed, and six of the ten millions were returned to the treasury and disposed of. It was thought advisable that the amount of four millions should remain, and that exchange should be drawn against it, and the bonds disposed of abroad, if a favorable market should be found. It appears, however, that very nearly this amount of issue is in excess of the five hundred and eleven millions authorized by existing laws, $510,756,900 having been disposed of. The act of June 30, 1864, authorizes the Secretary to dispose of "any bonds known as five-twenties remaining unsold." It is at least questionable whether by this clause power is conferred to dispose of an amount beyond that fixed by existing laws. Additional legislation may remove that doubt, should Congress think it advisable, otherwise they may be cancelled.

Exchange having been drawn, it became necessary to provide funds to meet the bills at maturity, which was accomplished by shipments of gold from California.

The expenditures for the current fiscal year were estimated in the last report of the Secretary as follows, viz:

Estimated balance of former appropriations	$350,000,000 00
For the civil service	27,973,194 81

For pensions and Indians	$9,631,304 73
For the War Department	536,204,127 77
For the Navy Department	142,618,785 40
For interest on the public debt	85,387,677 15
Aggregate	$1,151,815,089 86
Deducting, as likely to remain unexpended, on the 30th of June, 1864	400,000,000 00
Leaving to be provided for	751,815,089 86
And the receipts from ordinary sources were estimated in the aggregate at	206,836,539 93
Leaving to be provided by loans	$544,978,549 93

This estimate, like all others of a similar character, was necessarily based on past experience with regard to unexpended balances, and upon estimates from the different departments, which, in a time of war, must be liable to great uncertainty. Additional information enables me to state the probable expenditures with a nearer approach to accuracy. As corrected by including so much of the actual balance of former appropriations as is liable to be used during the year, those made at the last session of Congress, the additional amounts called for to meet probable deficiencies, and reducing the balance of unexpended appropriation at the end of the year, as from amounts expended during the first quarter would seem necessary, the estimate is as follows, viz:

Actual unexpended balances as above	$380,387,050 23
For the War Department	625,945,741 65
For the Navy Department	110,047,459 96
For the civil service	21,796,572 50
For pensions and Indians	6,590,089 12
Indefinite appropriations	9,152,007 11
For interest on public debt	91,810,215 18
Amount	$1,245,729,135 75
Add public debt matured and maturing during the year, viz: Certificates of indebtedness	160,729,000 00
Texas debt	2,149,000 00
Loan of 1842	196,808 45
Treasury notes under act of March 2, 1861, and prior thereto	278,511 64
Total	$1,409,082,455 84

The amount of certificates outstanding on the first of November, 1864, was $238,593,000. This being a much larger amount than the market ought to bear, it would not be wise to calculate upon these securities as available for the

service of the year, beyond $75,000,000. The available probable resources for the current year may then be stated as follows:

From customs	$70, 271, 091 96
From lands	642, 185 84
From internal revenue	249, 562, 859 92
From miscellaneous sources	24, 020, 171 44
From direct tax	16, 079 86
From certificates of indebtedness	75, 000, 000 00
	$419, 512, 389 02
To this should be added:	
Probable unexpended balances June 30, 1865	350, 000, 000 00
Balance of cash July 1, 1864	18, 842, 558 71
Total resources	$788, 354, 947 73
Which, deducted from expenditures, leaves balance to be provided by loans	620, 727, 508 11
If, however, an additional sum of fifty millions should be realized, as proposed by the Commissioner, from internal duties, the amount to be raised by loans would be	570, 727, 508 11
From this should be deducted the public debt redeemed	88, 353, 320 09
Leaving as increase of the public debt at the close of the year	482, 374, 188 02

Stated in the usual form by taking the actual receipts and expenditures of the first quarter as a distinct basis of calculation, the result is the same, viz:

For the first quarter of the current year, ending September 30, 1864, the actual receipts, as shown by the books of the treasury, were as follows:

From customs	$19, 271, 091 96	
From lands	342, 185 84	
From direct tax	16, 079 86	
From internal revenue	46, 562, 859 92	
From miscellaneous sources	9, 020, 171 44	
		75, 212, 389 02
Add actual balance in the treasury July 1, 1864		18, 842, 558 71
Receipts from all sources excepting loans		$94, 054, 947 73

Note.—In addition to the liabilities before stated, it may be mentioned that the 7.30 notes, so called, the issue of 1861, and the one year five per cent. legal tenders, amounting to $43,585,000, also become payable during the current year. The conversion of the former being provided for, however, by the act of August 5, 1861, and the latter by a power of substitution under the act of June 30, 1864, they have been excluded from this estimate. The amount of 7.30 notes redeemed in money to November 1, 1864, is only $63,500, charged to current expenditures; while the whole amount converted to that date is $125,864,900.

Brought forward		$94,054,947 73
For the three remaining quarters, ending on the 30th of June, 1865, the estimate is:		
From customs	$51,000,000 00	
From internal revenue	203,000,000 00	
From lands	300,000 00	
From miscellaneous sources	15,000,000 00	
		$269,300,000 00
Total receipts from ordinary sources, actual and estimated, with balance on hand July 1, 1864		363,354,947 73

The expenditures for the first quarter, ending September 30, 1864, were as follows, viz:

For civil service	$8,712,422 51	
For pensions and Indians	4,935,179 31	
For War Department	286,200,288 52	
For Navy Department	33,292,916 49	
For interest on public debt	19,921,054 48	
Total, exclusive of principal of public debt		$353,061,861 31
For the three remaining quarters the estimated expenditures, based upon appropriations and estimated deficiencies, are:		
For the civil service	$26,852,489 47	
For pensions and Indians	6,516,595 72	
For War Department	677,479,384 39	
For Navy Department	109,929,644 16	
For interest on public debt	71,889,160 70	
		892,667,274 44
Total of expenditures, actual and estimated		1,245,729,135 75
These estimates include all unexpended appropriations from former years, and there may be deducted, as a probable unexpended balance at the close of the year		350,000,000 00
Leaving total amount, actual and estimated, for the current year		895,729,135 75
Deducting from the total of expenditures the total of receipts, actual and estimated		363,354,947 73
There will remain		532,374,188 02

Brought forward	$532,374,188 02
If Congress should adopt measures for increasing the internal revenue at an early day, the Secretary believes there may be added to the receipts from that source	50,000,000 00
Which being deducted, there would remain to be provided	$482,374,188 02
The public debt, matured and maturing, during the year, is, as before stated	163,353,320 09
From this may be deducted, as likely to be provided by new certificates of indebtedness	75,000,000 00
	88,353,320 09
Add this sum to balance to be provided for expenditures of the year, viz	482,374,188 02
It makes whole amount to be provided from loans	570,727,508 11
But as this would include so much of the existing public debt as would be redeemed, exceeding certificates issued within the year, viz	88,353,320 09
This sum is to be deducted from the amount to be obtained by loans, viz., $570,727,508 11, showing the probable increase of the public debt during the year to be	482,374,188 02
Which added to	1,740,690,489 49
Would make the public debt on July 1, 1865	2,223,064,677 51

subject to such increase as may be occasioned should Congress not provide for additional revenue, or should the income from ordinary sources fall short of the estimates submitted.

Any estimate which may be made of the probable receipts and expenditures for the next fiscal year must necessarily be liable to still greater uncertainty. This remark applies more particularly to expenditures. For while, if existing laws remain unchanged, the amount of revenue may be calculated with reasonable certainty, it is impossible to anticipate what the exigencies of war may require. On the one hand this may call for increased effort, and on the other it may be confidently hoped that the great struggle is near its termination, and that, consequently, the estimate now submitted will prove far beyond the wants of the year. While any doubt remains, however, it would be unsafe to assume any other basis of calculation than one predicated upon the existing state of affairs.

The receipts for the year ending June 30, 1866, are estimated as follows:

From customs	$70,000,000 00
From internal duties	300,000,000 00
From lands	1,000,000 00
From miscellaneous sources	25,000,000 00
Aggregate	$396,000,000 06

The expenditures are estimated as follows:

Balance of unexpended appropriations	$350,000,000 00	
For the civil service	33,082,097 24	
For pensions and Indians	14,196,050 64	
For the War Department	531,758,191 11	
For the Navy Department	112,219,666 18	
For interest on the public debt	127,000,000 00	
Aggregate		$1,168,256,005 17
But from this aggregate there may be deducted, as likely to remain unexpended at the close of the year		350,000,000 00
Total		$818,256,005 17
Deduct estimated receipts from ordinary sources		396,000,000 00
There will remain to be provided for by loans		$422,256,005 17
To this should be added for redemption of excess of certificates of indebtedness		47,365,000 00
Making the whole amount to be provided for by loans		$469,621,005 17

Assuming the correctness of these estimates, the whole debt on the 1st day of July, 1866, would be found by adding the foregoing amount of $422,256,005 17 to the estimated debt on July 1, 1865, $2,223,064,677 51, giving $2,645,320,682 68 as the amount of the debt at the close of the next fiscal year. This calculation is made on the same basis of receipts as that assumed for the currrent year. It is quite probable, in the judgment of the Commissioner of Internal Revenue, that $300,000,000 may be received in another year from that source, without the additional legislation suggested by him. Should this supposition be verified, and the new taxes proposed for this year be laid and continued, an additional fifty millions might be expected from internal revenue. The Secretary has, however, thought it wiser to name $300,000,000 as all that would probably be realized.

It will be observed that the actual receipts from ordinary sources, for the last fiscal year, varied materially from the estimates, particularly from customs and internal revenue. This variation is imputable, in great part, to the legislation of Congress at its last session, increasing largely the rates of duty on foreign and domestic articles. It is apprehended, however, that similar results will not follow for the residue of the present year, in both these particulars. The increase of duties on imports, under the act of June 30, 1864, has already had the effect to decrease importations to a considerable extent, and the same effect will be likely to continue; so that, estimating the receipts of the three remaining quarters by those of the first, in the light of former experience, it will not be safe to calculate upon revenue from customs much exceeding $70,000,000 for the current year.

In the judgment of the Secretary, this disadvantage, in a financial point of

view, is more than counterbalanced by the stimulus afforded to domestic industry, and the consequent increased revenue from that source.

From internal revenue a different, and far more favorable, result may be anticipated. It will be noticed that, instead of $77,599,703 59, there was received from this source in the past year $108,260,320 59, under substantially the same law which, in ten months of the preceding year, yielded only $37,640,787 95.

The new law which went into operation on the 1st of July last, largely increasing these duties, although it will probably fail to produce the amount of revenue hoped for, may, if not materially changed, together with the special income tax imposed by the joint resolution of July 2, 1864, be safely estimated to produce the sum of $250,000,000, should the business of the country be ordinarily prosperous. The same causes which, under preceding laws, produced so large an increase in the second year, would be likely to have a similar effect, to some extent, under the new, so that at least the amount of $250,000,000 may be expected from it in another year without the aid of a special income tax.

But this amount is not, and ought not to be, satisfactory. Three hundred millions, at least, should be realized from internal duties. It is for Congress to select the sources and devise the modes in which this most desirable result can be attained, and the report of the Commissioner of Internal Revenue is referred to for his views on this important point, as well as for many valuable suggestions having reference to the same general subject.

The Secretary will venture, with great deference, to remark that, in his judgment, a commission, properly constituted, for the purpose of inquiring as to profitable sources of revenue, and devising improvements in the modes of its collection, might, in a country of such varied production, and among a people of such diverse industrial pursuits, elicit much information which would materially assist the deliberations of Congress, and lighten its labors, upon a subject so new to legislative experience on this continent. As, however, a resolution pointing to this end did not meet the approval of Congress at its last session, the Secretary did not feel authorized to institute an inquiry through such instrumentality, and he has been unable to adopt other effective measures for the same purpose.

After much reflection, and a careful revision of his opinions heretofore expressed in another place, to which, under the circumstances, he may be pardoned for referring, the Secretary feels obliged to say that he sees no other resource for raising the additional revenue, so necessary to the national credit than those pointed out by the Commissioner. He is aware of the great difficulties attending the collection of the duties proposed, and feels all the force of the objections heretofore made to their imposition. He nevertheless believes that a tax on tobacco in the leaf, or unmanufactured, if it can be enforced, is the only mode by which a duty on that article can be collected fairly and equally, and through which an adequate amount of revenue can be obtained from it. He believes, also, that, although a tax on sales would probably fail of collection to some extent, yet, by applying to it stringent rules, requiring frequent periodical returns, verified by oath, coupled with the power to compel an exhibit of books of account, it might become a very large and important item of revenue. The

Secretary would further suggest whether the income tax should not be collected upon all, without exemption. As the law is, it opens the door to innumerable frauds, and in a young and growing country the vast majority of incomes are small, while all participate alike in the blessings of good government. The adoption of a scale, augmenting the rate of taxation upon incomes as they rise in amount, though unequal in one sense, cannot be considered oppressive or unjust, inasmuch as the ability to pay increases in much more than arithmetical proportion as the amount of income exceeds the limit of reasonable necessity.

From the results of experience, as well as from all the information received, the Secretary is well convinced that much revenue fails to be collected through an imperfect execution of the law, and more through a fraudulent evasion of its provisions. Time and effort will, it is hoped, remedy these evils in a great degree, and the confident expectations of those who framed it be realized. In the mean time no effort should be spared to perfect it, as far as possible, and no experiment to increase its efficiency, of which there is a reasonable hope of success, should be left untried.

In connexion with the subject of increased taxation, and the necessity of providing additional revenue from ordinary sources, the Secretary cannot but call the attention of Congress to our public domain, and more especially to that portion of it abounding in the precious and other metals, which, by the policy of the government, has been reserved to the nation. He can add little, however, on these points, to what has been heretofore so ably set forth by his predecessor. The agricultural region has, through the operation of the homestead law, almost ceased to afford a direct revenue. Whatever might be the opinions of the Secretary as to the good effects of this law, either in a State or national point of view, it is not probable that any expression of those opinions would tend to effect any material change, or modification. Possibly, had the struggle in which the nation is now engaged been foreseen, or even apprehended, Congress might have deemed it prudent not to adopt a system which renders so large a portion of the public domain unavailable as a basis of credit, either by way of pledge of its proceeds, or an appropriation of those proceeds, permanently, to the creation of a sinking fund for the ultimate redemption of the public debt. In either aspect that domain might have been made to render material aid. But it may still fairly be questioned whether, and to what extent, such aid has not been afforded by the inducements offered to an immigration which is daily augmenting the resources and power of the republic. With regard to the mineral lands, the question is freed from this embarrassment. These are still the property of the nation, and may be disposed of as Congress shall determine. That they should yield a revenue to the owner, independent of the collateral advantages derived from individual enterprise in extracting the precious metals, would seem to admit of no dispute. On the one hand it may be said that to sell them absolutely is to part with an unequalled and inexhaustible source of wealth and power, the control of which should always remain in the hands of the government; on the other, that all attempts, hitherto, to realize any considerable amount of revenue from any system of rents have proved

unsuccessful. It is to be hoped that Congress may be able to devise some mode by which these lands may be made available, to an extent in some just measure proportionate to their yearly production. The question is one involving a knowledge of the subject which the Secretary does not now possess, and requiring an amount of study and reflection which, thus far, he has been unable to bestow.' The attention of Congress is invited to a paper on this subject, prepared by direction of the Secretary, which accompanies this report, and will repay an attentive perusal.

The act of February 25, 1862, provides that the coin received for duties on imports shall, after paying interest on bonds and notes, be appropriated to the purchase of one per centum of the public debt, to be set apart, with its accruing interest, as a sinking fund, as the Secretary might from time to time direct. All experience has proved that in a time of war, when expenditures must largely exceed receipts from ordinary sources, and large sums are borrowed in each year, the attempt to establish a sinking fund invariably fails. It is, in fact, simply borrowing to lend again. For this reason no attempt to carry out this provision has yet been made. As the time is approaching, however, when the present unnatural condition of affairs may be expected to terminate, it is well to consider whether some legislation postponing for a time the operation of the provision referred to, and designating a board of officers as commissioners of the sinking fund, under proper regulations, may not be advisable; their duties to commence at such time as the Secretary of the Treasury may designate. Such legislation would, at least, show that the provision for a sinking fund is not intended to remain a dead letter upon the statute-book when peace shall return, and with it the power to render that provision effective. Should any further aid be necessary, the Secretary would respectfully suggest whether such income as may be received from the public domain, from sales, or in the shape of rents or royalty, may not be beneficially appropriated to the same purpose.

From preceding statements it appears that, exclusive of the receipts from ordinary sources, the amounts following are to be provided, viz:

For the fiscal year ending June 30, 1865.....	$570,727,508 11
For the fiscal year ending June 30, 1866.....	469,621,005 17
	1,040,348,513 28
Deduct amount now authorized, and balance in the treasury July 1, 1864.....	560,063,188 02
It leaves a balance to be provided for by additional legislation of.....	$480,285,325 26

It will be observed that this balance is predicated upon contingencies which may not occur, and calculations which may prove deceptive. It would be unsafe, therefore, to limit so closely the provision to be made by Congress for meeting the expenditures of this and the succeeding years.

To raise a large portion of the amount necessary to meet these anticipated expenditures, it is obvious that recourse was to be had to loans; which have been

already, in part, negotiated. The necessities of former years have led to many expedients, as is apparent from the diversity of forms which our securities present. As the debt increases, from year to year, borrowing becomes more difficult. Embarrassed as the country is with two systems of banking, and obstructed as the government is by a currency wholly beyond its control, it is manifest that to push its own circulation far, if at all, beyond its present limit could only be justified by absolute necessity. To thrust our securities upon the market in such amounts as it is not able to bear, and to retain no check upon stockjobbing combinations, must exercise a disastrous effect upon public credit, and operate injuriously upon large numbers who have heretofore invested their means, liberally and confidingly, in government issues.

The Secretary is not unmindful that, in the opinion of many persons conversant with financial matters, recourse should be had to foreign markets; and in two acts of Congress, one of which is still in force, authority has been given to negotiate a foreign loan. This, if practicable at all, on terms which the Secretary could feel justified in accepting, would, in his opinion, at the present time and under existing laws, be so inconsiderable in amount, that its effects would be merely temporary, and would afford an alleviation rather than a relief. Our bonds have already, to a considerable amount, been sought for abroad, and to that extent the home market has been relieved and strengthened. Communication with Europe is now so easy and regular, intelligence is transmitted so rapidly, business facilities are so abundant, that foreign markets are almost at our own doors, and a demand abroad is felt almost at the moment, and supplied without injurious delay. To effect a foreign loan would not, as it has seemed to the Secretary, add much, if at all, to the whole amount of sales, unless stimulated by efforts and inducements which our financial condition has not, as yet, called for. And, although a certain advantage might be gained in the power to control, in some degree, the rate of foreign exchange, by the deposit of a large sum to be drawn against as occasion might require, the possible benefit thence to be derived has not seemed sufficient to counterbalance other and opposing considerations.

This nation has been able, thus far, to conduct a domestic war of unparalleled magnitude and cost without appealing for aid to any foreign people. It has chosen to demonstrate its power to put down insurrection by its own strength and furnish no pretence for doubt of its entire ability to do so, either to domestic or foreign foes. The people of the United States have felt a just pride in this position before the world. In the judgment of the Secretary, it may well be doubted whether the national credit abroad has not been strengthened and sustained by the fact that foreign investments in our securities have not been sought by us, and whether we have not found a pecuniary advantage in self-reliance.

But, however this may be, it seemed to the Secretary that, even if inclined to attempt the negotiation of a foreign loan, the time was unpropitious, and the difficulty attending such a negotiation, while exchange was subject to rapid and violent fluctuation, upon any safe terms, appeared almost insurmountable. Whatever risk was to be incurred must necessarily fall upon the

government. He thought it wiser, therefore, to wait until events should have more fully demonstrated the inevitably favorable result of the contest in which the nation is engaged—which time he believes to be near at hand—rather than venture upon an experiment which, if successful, could afford but temporary relief, and a failure in which might be attended with evils of a very serious character. Believing that the country can, if it will, sustain, for a long time to come, any burden which the war is likely to impose, the Secretary has deferred an undertaking which seemed to him so doubtful of success, and so questionable in its results. It may be added to these considerations, that to have the interest on our public debt payable at home, and to our own rather than to a foreign people, are advantages, the value and importance of which can hardly be too highly estimated.

The whole amount of national circulation, not bearing interest, exclusive of fractional currency, and of notes issued by national banks, is limited to four hundred millions of dollars, subject to slight occasional increase from the fifty millions held in reserve for the payment of temporary deposits. Of five per cent. interest-bearing notes there were outstanding, on the first of November last, $120,519,110. To a considerable extent these notes have been, and will continue to be, used as currency. Those with coupons have been found particularly objectionable, as, though withdrawn to a certain extent while the interest is maturing, they are liable to be periodically rushed upon the market. In consideration of this feature, a large amount, viz: about ninety millions of the original issue of one hundred and fifty millions of these coupon notes, have been withdrawn and destroyed, and their place occupied by notes payable in three years, bearing interest at six per centum, compounded semi-annually. This is believed to be the best form of interest-bearing legal tender notes, as being more likely to be withdrawn and held until maturity, as an investment. Of these, fifteen millions in amount were issued under the act of March 3, 1863, and about ninety millions under the act of June 30, 1864. The total amount of interest-bearing notes outstanding on the 22d of November last was $210,222,870. What proportion of these may be considered as an addition to the circulation I am unable to determine. To that extent, whatever it may be, they contribute to the amount of the currency, and thus in some degree occasion, and in still greater degree sustain, an increase of prices, and depress values.

The amount of bills issued to the national banks, as appears from the books of the Comptroller of the Currency, was, up to the 22d of November inclusive, $65,160,210. As these banks have absorbed capital which might otherwise have been invested in State corporate institutions, and in many instances have taken the place of those institutions, by conversion, their issues cannot be regarded as so much addition to the body of currency. The returns on file at the department show that the whole circulation of the State banks on the first of January, 1864, was $169,926,129, while the whole circulation of such banks for the month of July, 1864, returned to the internal revenue bureau, and which embraced, with a few trifling exceptions, all of these institutions

outside of the rebellious States, was only $126,196,606 72. The diminution is $43,729,522 28, which, deducted from $65,160,210, leaves $21,436,687 72 as the amount of increase to November 22, 1864, on the supposition that the circulation of State banks has not been enlarged since July.

The subsequent returns, though incomplete, would tend rather to show a diminution since that date. Arguing from the fact that the notes of State banks have almost ceased to be current in some of the northwestern States, it may well be doubted whether, under the limitations of the law authorizing national banks, the establishment of these institutions has not had the effect rather to limit than to enlarge the whole amount of circulation.

It is observable that, notwithstanding the apparently large circulation of paper money issued under the authority of the various acts of Congress before enumerated, its scarcity in the market has occasioned no slight embarrassment in the negotiation of loans. This can be accounted for only upon the supposition that large amounts are carefully held by the people, thereby exhibiting their confidence in its character and value, and that the impetus given to trade of every description by the large and increasing wants of government requires a largely increased amount of the circulating medium. A rise of prices tends, proportionately, in the same direction.

Believing, however, that, with the large addition made to the volume of currency by State banks through their various forms of credit, the whole amount far exceeded the limit of necessity, it was with extreme reluctance that the Secretary felt himself compelled to replace the five per centum coupon notes, which had been withdrawn, by an issue of six per centum compound interest notes under the act of June 30, 1864, and even to exceed that amount to a small extent. But the necessities of the hour left him no choice. And he will now proceed to state the condition of financial affairs which, in his judgment, rendered such action imperative.

On assuming office, upon the 5th day of July last, the Secretary found his condition peculiarly embarrassing. The cash balance in the treasury was, on the 1st of July, as before stated, $18,842,558 71. The unpaid requisitions on the 5th were $71,814,000. The amount of certificates of indebtedness outstanding was $161,796,000. The daily expenditures could not be calculated at less than two and one quarter millions. The larger portion of unpaid requisitions was for pay to the army, and the Secretary was obliged to look forward to an increase, from the same quarter, of over fifty millions on the 1st of September. Thus situated, he could not avoid scrutinizing with some anxiety his probable means of meeting these most pressing claims upon the treasury, and also of providing for the additional daily expenditures. He could look nowhere but to the receipts from ordinary sources, and to the power to borrow money under existing laws. From customs he could expect no substantial aid, and the returns for the first quarter of the current year will show that, beyond the revenue pledged to pay the interest upon bonds issued and to be issued during the year, comparatively little assistance could be derived from this source. With regard to internal revenue the Secretary felt more encouraged.

Congress had wisely provided for a large increase of internal duties, by a law which went into operation on the 1st day of July. Under former laws the amount received had been steadily increasing during the three preceding months, and in the month of June had reached very nearly to fifteen millions of dollars. The Secretary confidently hoped that for July and the succeeding months it would reach, if it did not exceed, the daily average of three-quarters of a million. But this hope, if realized, would still leave him with a very large deficiency, to meet which, in part, he might issue certificates of indebtedness to public creditors. It was desirable, however, to avoid, could other means be found, increasing the amount of these securities. He might have recourse to the power conferred by the act of June 30, 1864, and put an additional two hundred millions of legal tender notes upon the market, and even increase that amount by some sixty millions, in substitution for five per cents., issued under the act of March 3, 1863, which had been destroyed or were ready to be destroyed. Flushed as the money market was with circulation, sufficiently, at least, to meet the necessities of business, he was anxious, if possible, to avoid so doubtful an expedient.

The prospect of negotiating a loan in the ordinary way was by no means flattering, as the notice for a loan of thirty-three millions, advertised on the 25th day of June, had been withdrawn on the 2d of July, the Secretary having reason to believe that such loan would not be taken on terms which it would be for the interest of the government to accept.

Under these circumstances the Secretary thought it advisable, in order to meet pressing emergencies, to borrow upon bonds or notes, authorized by the various acts referred to, fifty millions of dollars, of the banks in the cities of New York, Philadelphia, and Boston, and met the representatives of a large number of these institutions in New York for the purpose of effecting that object. The result proved, however, that, notwithstanding a professed, and, as the Secretary was convinced, a real desire to aid the government, these institutions were not able to furnish the assistance required upon terms, which, under existing provisions of law, the Secretary felt authorized to accept. He had then no other alternative than to issue legal-tender notes to a very large amount, or again to advertise for a loan; and he had no hesitation as to which course should be adopted. Accordingly, on the 25th of July he issued proposals for a national loan, under the act of June 30, 1864, upon notes payable in three years, with semi-annual interest at $7\frac{3}{10}$ per cent. per annum in lawful money. He incurred a considerable expense in advertising this loan, believing that it should be as widely diffused and as generally understood as possible, and offered liberal inducements to stimulate the efforts of corporations and individuals to dispose of the notes. His success, though not what he hoped for, or anticipated, has been such as not to diminish his confidence in the disposition and ability of the people to relieve the wants of their government. A serious obstacle to greater success has been, the Secretary believes, the amount of other desirable national securities pressing upon the market, and presenting more favorable opportunities for investments

Failing to raise the means required in the ordinary mode, and urged by the conviction that the large amount of suspended requisitions, swollen to more than $130,000,000 00, should be reduced, the Secretary resolved to use all the means at his command to pay so much, at least, as was due to our brave soldiers, who were suffering from the long delay in satisfying their just claims, but still continuing to serve their country with unflinching courage and uncomplaining devotion. To effect this object he was compelled to replace the whole amount of five per cent. notes which had been cancelled, amounting to more than eighty millions of dollars, and even slightly to exceed that sum. More fully to accomplish his purpose, the Secretary resolved to avail himself of a wish expressed by many officers and soldiers, through the paymasters, and offered to such as desired to receive them, seven-thirty notes, of small denominations. He was gratified to find that these notes were readily taken in payment to a large amount, our gallant soldiers, in many instances, not only receiving them with alacrity, but expressing their satisfaction at being able to aid their country by loaning money to the government. The whole amount of notes thus disposed of exceeded twenty millions of dollars, and the Secretary has great satisfaction in stating his belief that the disposal thus made was not only a relief to the Treasury, but proved a benefit to the recipients, in affording them a safe and valuable investment, and an easy mode of transmitting funds to their families.

To meet other pressing demands, the Secretary again offered to public competition bonds issued under the act of March 3, 1863, amounting to about $32,000,000 00. This offer was most favorably received, the bids reaching nearly $70,000,000 00, and the whole amount offered being taken at a premium of four per centum and upwards; the Treasury receiving, premiums included, the sum of $33,179,614 33.

Subsequently, on the 1st of October, the Secretary advertised for another loan of forty millions, upon five-twenty bonds, issued under the act of June 30, 1864. At the time of this offer the money market was in a feverish condition, arising from violent fluctuations in gold, and other causes, and serious doubts were entertained whether acceptable offers would be made. Under these circumstances, and with the hope of affecting favorably the market price of certificates of indebtedness which had become somewhat depressed by the large amount to which the issue had been necessarily increased, the Secretary decided to receive one-fourth of the subscription in these securities. The result was, that, notwithstanding the anticipated failure of the loan, bids were received amounting to nearly $60,000,000 00, and the whole amount offered was taken at a rate above par, and averaging to the government, a fraction less than one per centum.

These negotiations have afforded satisfactory evidence, not only of the ability of the people to furnish, at a short notice, such sums as may be required, but of the entire confidence felt in the national securities. After nearly four years of a most expensive and wasting war, the means to continue it seem apparently undiminished, while the determination to prosecute it with vigor to the end is unabated.

In some particulars the Secretary has found himself embarrassed by the re-

strictive provisions of the act of July 2, 1864, and he will, therefore, at an early day, suggest such modifications as he considers necessary. In his judgment, a wide discretion should be intrusted to the officer charged with the duty of negotiating loans, in order that he may be enabled to avoid unexpected difficulties, occasioned by possible conditions of the money market. This delicate and responsible duty must necessarily be intrusted to somebody, and the people can have no other reliable security for faithfulness than may be found in the established character of the individual charged with so important a trust, whoever he may be. The discretion thus confided should, in the opinion of the Secretary, include the power of increasing the currency. To no individual would any considerable addition to the circulation, in any form, be more objectionable than to the present head of the Treasury Department, and no one would resort to such a measure, when the circulation was adequate to the wants of business, with more reluctance. Nor does he believe that a patriotic people, struggling for national existence, and possessed of ample means, would compel him to adopt a measure so fraught with injurious consequences as an issue of paper money beyond the limit so prescribed. The question, however, would be one for that people to decide. They have pronounced for a continuance of the war, until its great objects shall have been accomplished, in unmistakable terms. It is for them further to determine whether the necessary means shall be furnished by way of loan, and the circulation be restrained within safe limits, or whether they will prefer to endure the evils of exorbitant prices, with a loss of credit in the present, and a debt of needless magnitude entailed upon the future. Their financial officer can only submit to their decision, and act as the necessities of the occasion may demand. But the Secretary confidently believes that, judging from past events and recent demonstrations, there can be little doubt what the public voice will be upon a question so vital.

It is the province of Congress to indicate, and determine upon, the terms that may be offered to those who are invited to invest their means in government securities, and it would seem both wise and prudent to make those terms sufficiently liberal. If our public debt must necessarily be large, and require a long course of years for its liquidation, its wide diffusion is most desirable. Such advantages should be offered as will induce all who have anything to spare beyond the amount required for their own support, or use, to invest that surplus, or a portion of it, in the national securities. These advantages can only be found in an increased rate of interest, an exemption from public burdens, and security of possession. What limit should be fixed, in either of these particulars, it is for the practical experience and wisdom of Congress to ascertain and determine.

The experience of the few past months cannot have failed to convince the most careless observer that, whatever may be the effect of a redundant circulation upon the price of coin, other causes have exercised a greater and more deleterious influence. In the course of a few days the price of this article rose from about $1 50 to $2 85 in paper for $1 00 in specie, and subsequently fell,

in as short a period, to $1 87, and then again rose, as rapidly, to $2 50; and all without any assignable cause, traceable to an increase or decrease in the circulation of paper money, or an expansion or contraction of credit, or other similar influence on the market, tending to occasion a fluctuation so violent. It is quite apparent that the solution of the problem may be found in the unpatriotic and criminal efforts of speculators, and probably of secret enemies, to raise the price of coin, regardless of the injury inflicted upon the country, or desiring to inflict it. All such attempts should be indignantly frowned upon by a patriotic community, and the efforts of all good citizens invoked to counteract such nefarious schemes. A law, providing for the exemplary punishment of combinations for such a purpose might tend to vindicate, if it could not fully protect, the public rights in this regard, and should be, so far as possible, rigidly enforced.

But whatever success might attend any effort to check speculation in coin, or to counteract its injurious effect, it is still obvious that, so long as there remains a large and increasing necessity for its use, and a limited supply, it will command a price commensurate with the necessity and the difficulty of obtaining it. This necessity arises from the demand for foreign exchange, for customs duties, and to pay the interest on the public debt. The matter of foreign exchange I do not propose to discuss. The demand for duties on imports, and that to pay the interest on a large portion of the public debt, are so far identical that one is dependent upon the other. The laws authorizing the issue of bonds bearing interest in coin specifically pledged the revenue from customs to the payment of that interest, and provided for the collection of those duties in the same currency. In the opinion of the Secretary, that pledge should not be violated. A departure from it could only be vindicated by one of those state necessities which justify a nation in temporarily postponing its obligations in order to preserve the power to discharge them at a future day. When the pledge was given, no one anticipated a possible continuance of the war for such a length of time as would involve the increase of the public debt to the point it has already attained, or the possible payment of interestin coin to an amount beyond the ability of duties on imports to supply. It will be noticed, however, that our annual coin interest now exceeds fifty-six millions of dollars. Should the additional amount required for the expenditures of the present fiscal year be raised upon bonds bearing interest in coin, and the revenue from customs not exceed the estimate predicated upon the receipts of the first quarter, it is quite manifest that resort must soon be had to some other source of supply, or recourse must be had to the emission of securities of a different character. It could not be expected that such securities would stand on a level with those the interest upon which is payable in coin, unless an increased value should be given them by a higher rate of interest, or their payment should be secured by a specific lien upon revenue. In view of the serious considerations presented by this question, whether as affecting the market value of coin or the ability of government to meet its specie interest, should the war continue, from the revenue now specifically appropriated to that purpose, the Secretary is forced to the conclusion that

we should in the future rely, for the most part, upon securities bearing interest in currency, convertible into bonds, the interest of which is payable in coin. Notes bearing an increased rate of interest, payable in currency, redeemable in three or five years, and convertible at maturity into five-twenty bonds, would be preferable, in the judgment of the Secretary, to any other form of security. Bonds at long date, the interest of which is payable in currency at the usual rates, would be less attractive, and in the end involve a much greater sacrifice. The $7\frac{3}{10}$ notes authorized by the act of June 30, 1864, and now offered to the public, present as many advantages as any form of currency security, uniting a high rate of interest with convertibility. At the period of their maturity it may be confidently believed that the country will have been restored to a state of unity and peace, with all disturbing elements quieted, its population and resources increased and increasing, its strength confirmed, and with ample ability to meet all its obligations from its ordinary resources.

In the report of the Comptroller of the Currency will be found statements of the number of national banks organized since his last annual report, the States and Territories wherein organized, the amount of capital paid in, circulation, and bonds deposited. The statement exhibits a large and rapid increase, and demonstrates the popularity of the system. The rapid and extensive conversion of State institutions of established character, conducted through a long series of years by men of recognized financial ability, into banks organized under the new system, could not have taken place unless after full and careful consideration as to its safety and superior advantages. If it should be said, that, perhaps, these advantages may be rather to those individually interested than to the community at large, the reply is, that a single uniform currency, possessing the same value throughout the whole country, has been too long a general object of desire to have its importance questioned. If to this great and obvious good be added the benefits to government, in its financial operations, of being freed from all the uncertainties and embarrassments arising from a currency over which it can exercise no control, the advantages of any system which will effect these objects can admit of no debate. The Secretary was not among the first to approve the plan adopted by Congress, and which seems to be receiving the popular sanction. Time and observation of its effects have, however, convinced him that the system, if not without defects, is based upon sound principles, and is entitled to all the benefit of a fair trial; and it is quite apparent that the good to be hoped cannot be fully realized, so long as another system, at war with the great objects sought to be attained, shall continue to exist, unchecked and uncontrolled.

While, therefore, the Secretary would not advise the adoption of unfriendly or severe measures, likely to embarrass the business of the country, especially when the indications are so favorable that the national system will soon replace all of a merely local character, he is yet of the opinion that such discriminating legislation should be had as will induce the withdrawal of all other circulation than that issued under national authority, at the earliest practicable moment.

For a statement of the transactions of the treasury during the past year you are respectfully referred to the report of the Treasurer. The labors of that officer are largely increased by the number of depositories which have been designated under the act "to provide a national currency." The labors of the Treasurer, and also those of the assistant treasurers in the principal cities, and the depositaries designated under the act of August 6, 1846, are necessarily proportionate to the vast amounts passing through their hands; and the pecuniary responsibilities of some are such as few men, whose character and capacity would justify so important a trust, are willing to assume. Necessarily obliged to surround themselves with a large number of assistants, for whose care and integrity they must be answerable, and to give bonds in amounts that few private fortunes would meet, a high degree of courage is required to endure the perplexities and incur the hazards of such an office. In view of these facts, and of the much better compensation readily paid to such men for labors much lighter, and responsibilities far less important, I cannot but recommend that the salaries of the Treasurer, and of the assistant treasurers, and of some of the designated depositaries, be increased. Within the current year the assistant treasurer at New York having been compelled by ill health to resign, after long and most useful and honorable service, it became necessary to find a person qualified by his knowledge of business and financial affairs, by spotless character and acknowledged ability, to discharge the duties of that most important position. This the Secretary found to be extremely difficult, principally because the great pecuniary risk deterred men who had anything to lose, while the compensation allowed by law was much lower than is customarily paid for similar, but far inferior, service. The office was most reluctantly accepted by the present incumbent, who relinquished an honorable position, with a much higher salary, at the urgent solicitation of the Secretary, purely from a sense of patriotic duty. Impelled by the same honorable feeling, the assistant treasurer at St. Louis consented to withdraw his resignation, which had been tendered to the department. Not only justice, but the best interests of the government, require that such compensation be paid to all public officers as will enable them to discharge important trusts, freed from the harassing cares and anxieties attendant upon inadequate incomes, and bearing a just proportion to the nature and amount of service. The difficulty of inadequate compensation has occasioned much embarrassment in other operations of this department. Many persons of experience and skill, and who could readily command higher pay in similar employments elsewhere, have resigned their places in the department. These places it has been found extremely difficult to fill, although there has been no reason to complain of a lack of applicants for employment. But in the vast and complicated affairs of the Treasury Department many persons are required possessing a high order of ability, derived both from study and experience, and without whose aid those affairs could not be well and speedily transacted. Such persons cannot be expected to remain in the public service and be content with a compensation too small for the daily wants of themselves and families, when solicited to accept other situations justly, and even liberally, remunerated. While, therefore, the

Secretary does not favor high salaries, and feels as strongly as any one the necessity of strict economy, he is compelled to state this condition of things for the consideration of Congress.

The high rates of duties on imports, imposed by recent laws, afford such temptation to smuggling, and such facilities are presented for successful attempts to evade the revenue laws, by the extent and nature of our sea-coast, and more especially of our frontier, that the necessity of strenuous efforts to prevent and punish offences of this kind is impressed upon this department with daily increasing force. The attention of Congress is particularly invited to so much of the report of the Commissioner of Customs as relates to this very important subject. The act "to prevent smuggling, and for other purposes," approved June 27, 1864, contains important provisions, which, if properly enforced, will, it is believed, prove highly efficient. Sufficient time, however, for all the preparations necessary to carry all of these provisions into effect has not as yet been afforded. In the mean time, a careful preliminary inspection has been made by the Commissioner, under instructions from the Secretary, along our sea-coast and frontier lines, and the result of his observations leads to the conviction that preparations on a large scale are in progress for extensive and systematic operations in smuggling across our northern and northeastern border. To prevent, or even to check, these operations, an increase of preventive force will be absolutely necessary, and means should be placed at the disposal of the department for that purpose, to be expended in such manner as the exigency may require. From the report of the Commissioner, and the nature of the case, it is no less obvious that an increase in the number of revenue boats, especially on the lakes, is not only expedient but necessary; and the appropriation for that object should also be increased, so as to meet the wants of the service.

The act approved July 2, 1864, entitled "An act in addition to the several acts concerning commercial intercourse between loyal and insurrectionary States, and to provide for the collection of captured and abandoned property, and the prevention of frauds in States declared in insurrection," modified, in several important particulars, pre-existing laws upon the same subjects. So much of the act of July 13, 1861, as authorized the President to permit commercial relations in insurrectionary States and sections was repealed, except in certain specified cases. The rules and regulations with regard to commercial intercourse previously adopted have been modified accordingly. The second section largely extended the powers and responsibilities of this department, by placing in its charge abandoned lands, houses, and tenements in insurrectionary States, for the purposes of occupation and lease, and still further by directing that provision should be made "in such lease, *or otherwise*, for the employment and general welfare of all persons within the lines of national military occupation within said insurrectionary States, formerly held as slaves, who are or shall become free." This clause is regarded as placing all such persons under the protection of this department, through which their *general welfare* is to be provided for.

In framing rules and regulations to carry the provisions of this act into effect,

as directed in section eleven, such as were deemed essential to the proper execution of the powers conferred in relation to freedmen, were made, and approved by the President as required. It was, however, found necessary to suspend their operation for a time. This class of persons had been, and were yet, under the protection of the War Department, and the necessary provision for their welfare had been afforded under military authority and supervision. The arrangements made for this purpose contemplated a continuance of the system adopted through the current year. It was deemed advisable, therefore, to defer action in this regard, until the time should arrive for commencing the operations of a new year, and in the mean time to allow the freedmen to remain as they had been, under military protection.

The eighth section of said act authorizes the Secretary of the Treasury, with the approval of the President, to appoint agents to purchase, on certain specified terms, any products of States declared in insurrection. The amount of funds placed at the disposal of the Secretary for that purpose was, however, so limited, that large operations on a cash basis were out of the question. In fact, the proper execution of the authority conferred by this provision of the statute has been attended with great embarrassment. After much consideration, however, a series of regulations was framed and approved, and several agents have been appointed, who have commenced operations under the law; but their appointment is so recent that no sufficient time has elapsed to afford a basis for any reliable opinion of the probable result. The Secretary is, however, of the opinion that, whether the hopes which may have been indulged of a considerable revenue to the government from this source are realized or not, the incidental advantages of getting to market a reasonable supply of the products referred to would compensate any effort made by government in that direction.

A copy of the rules and regulations, as revised, together with those relating to abandoned lands, houses, and tenements, providing for the care and employment of freedmen, and for the purchase of products, are appended to this report.

The Secretary has great satisfaction in stating that all expenses connected with executing the several acts restricting commercial intercourse have been much more than paid by fees arising under the regulations heretofore adopted.

While the Secretary has great pleasure in stating that, so far as his personal knowledge extends, and so far as he is informed, the affairs of this department have been well and satisfactorily conducted during the past year, an incident has occurred of a painful character, involving a possible loss to the government, and tending to excite suspicion as to the integrity of some person or persons employed in conducting its operations.

On the fifth day of June last, Mr. C. P. Bailey, chief clerk and superintendent of the loan branch, connected with the Secretary's office, addressed a letter to the Secretary, stating that one hundred bonds, partially prepared for issue under the acts of July 17 and August 5, 1861, of $1,000 each, were missing, and no trace of them could be found. The bonds were numbered from 34,301 to 34,400 inclusive, and were a part of one thousand transmitted by the National Bank Note Company, on the 26th of September, 1863.

In his letter to the Secretary, Mr. Bailey states: "I have exhausted all the resources at my command in endeavoring to find them, and nothing is left for me but to report the facts." A strict inquiry as to all the facts connected with the affair was immediately instituted, but no light was obtained, further than to show that, on the 29th of September previous, Mr. Bailey sent the bonds in an open basket, with a weight placed on them, by two messengers, one of whom was an old clerk of established character, to the Register's office, and there offered them to the clerk who usually received the coupon bonds in the Register's room, who objected to taking charge of them, on the ground that there was no place in the office where they could be safely kept, and requested that they might be taken back to the loan branch, where there were good safes. Mr. Bailey was sent for, and, after some consultation as to the proper place of deposit, consented that they should be taken back, and deposited in the safe in his office, and they were accordingly carried back by the same messengers, taken out of the basket, laid on the table, and in the course of the day placed in the safe, where they remained, as supposed, until called for by the Register. They were called for and delivered from time to time, from March 17 to June 5, 1864, when the loss was discovered. The character of all the parties concerned is reported as above suspicion, and nothing has since transpired to elucidate the matter or to furnish any indication as to what has become of the missing bonds.

As they had not been signed by the Register, or sealed, they cannot be negotiated. The coupons, however, were sealed and complete, and payable to bearer on January and July 1, in each year. A careful examination was made of the January coupons paid on bonds of that issue, but it does not appear that any of them had been paid. These would be known by their numbers. Instructions were given the assistant treasurers to watch carefully for thee coupons, but nothing further has been elicited. No other steps have been taken, as none appeared likely to be attended with any effect. With this exception, I am not aware that any loss has occurred in the department.

For the detailed operations of the mint and its branches I respectfully refer to the report of the Superintendent of the Mint. The total value of the bullion deposited at the mint and branches during the last fiscal year is $24,920,808 47, of which $23,986,989 92 was in gold and $933,818 55 in silver. Deducting the redeposits, there remain the actual deposits, amounting to $24,012,741 49. The coinage for the year was, in gold coin $21,649,345 00; gold bars, $2,333,403 31; silver coin, $548,214 10; silver bars, $301,872 89; cents, $463,800 00; total coinage, $25,296,635 30. The number of pieces of all denominations coined was 46,983,396. Of this coinage $3,560,436 40, in 45,114,276 pieces, was at Philadelphia; $19,536,809 02, in 1,869,120 pieces, at San Francisco; and $1,876,377 04, in gold and silver bars, at New York.

The branch mint at Denver has confined its operations to melting, refining, assaying, and stamping bullion. The number of bars thus stamped was 532, of the value of $486,329 97. The cost of transportation from the Denver mint to the seaboard, coupled with the disturbed condition of the Indians on the route,

have operated thus far to prevent the full development of the usefulness of this branch mint. I have hopes that the efforts now making may prove successful, so far as to obviate in great part the difficulties referred to.

A question of title to the proposed site of the branch mint at Nevada, authorized by Congress, has intervened to prevent any further steps from being taken toward its establishment, and no further steps can be taken until Congress shall have perfected the title.

As soon as proper information can be obtained, the necessary measures will be taken for the establishment of a branch mint at Dalles City, Oregon, in pursuance of the act of July 4, 1864.

Preliminary examinations and reports have been ordered relative to a new building for the mint at San Francisco, authorized by the act of July 2, 1864.

As in preceding years, the great value of the coast survey is constantly impressed upon the government. While its operations upon the northern coast have been continued without interruption, details of its officers have continued to be furnished to the army and navy, who have rendered services of great importance in the conduct of the war, and contributed largely to the success of various military and naval operations, not only upon the coast, but in the interior, as frequently testified by the officers in command.

The light-houses and buoys in charge of the Light-House Board have been maintained at their recognized standard of excellence. Some suggestions are made by the board tending to render the system still more efficient, to carry out which estimates have been submitted. The restoration of lights, injured or destroyed by the rebels, has been proceeded with as rapidly as the territory has been brought within the control of the United States forces. And it is believed that the same unbroken chain which was exhibited before the war will soon be re-established along the whole coast of the United States.

The Secretary refers with satisfaction to the reports of the heads of the several bureaus and offices, as exhibiting the onerous duties devolving upon them, and the great amount of labor performed, all of which has been, with few exceptions, bestowed cheerfully and assiduously. An increase of force is required in the bureaus of the Second and Third Auditors, and the Second Comptroller, to prevent a vast accumulation of business, injurious to claimants and embarrassing to the government.

The lease of the premises now occupied as a custom-house in New York will expire on the first day of May next. It may, under the provisions of the contract of lease, be purchased by the government for one million of dollars, if notice to that effect is given three months before its termination. The premises are suitable and convenient for custom-house purposes, and of greater value than the sum named. If the purchase is to be made, the Secretary should be seasonably authorized to give the stipulated notice, and the necessary appropriation made before the adjournment of Congress. This purchase has been heretofore recommended in two successive reports, and in that recommendation the Secretary fully concurs.

In closing this report, the Secretary feels that he cannot but follow the example of his predecessor, in gratefully acknowledging the obligation he is under to the Assistant Secretaries and other officers of the Treasury Department, not only for the cheerfulness and devotion with which their own peculiar duties have been discharged, but for the kindness and zeal with which they have striven to lighten his labors, and enable him to sustain, however imperfectly, the weight of a most onerous and embarrassing position.

W. P. FESSENDEN,
Secretary of the Treasury.

Hon. SCHUYLER COLFAX,
Speaker of the House of Representatives.

No. 1.

Receipts and expenditures for the fiscal year ending June 30, 1864.

The receipts into the treasury were as follows:

From customs, viz:		
During the quarter ending September 30, 1863	$22,562,018 42	
During the quarter ending December 31, 1863	23,211,520 86	
During the quarter ending March 31, 1864	27,439,654 13	
During the quarter ending June 30, 1864	29,102,959 58	
		$102,316,152 99
From sales of public lands, viz:		
During the quarter ending September 30, 1863	136,182 09	
During the quarter ending December 31, 1863	170,503 45	
During the quarter ending March 31, 1864	131,882 92	
During the quarter ending June 30, 1864	149,764 83	
		588,333 29
From direct tax, viz:		
During the quarter ending December 31, 1863	14,035 06	
During the quarter ending March 31, 1864	397,166 68	
During the quarter ending June 30, 1864	64,447 22	
		475,648 6
From internal revenue, viz:		
During the quarter ending September 30, 1863	17,599,713 59	
During the quarter ending December 31, 1863	27,262,631 26	
During the quarter ending March 31, 1864	27,685,212 45	
During the quarter ending June 30, 1864	37,193,576 80	
		109,741,134 10
From miscellaneous and incidental sources, viz:		
During the quarter ending September 30, 1863	641,542 04	
During the quarter ending December 31, 1863	1,912,529 09	
During the quarter ending March 31, 1864	12,527,351 39	
During the quarter ending June 30, 1864	32,430,025 58	
		47,511,448 10
From United States fractional currency		8,169,721 25
From six per cent. 20-year bonds, under act of July 17, 1861		30,565,875 45
From 5-20 years bonds, under act of February 25, 1862		321,551,283 41
From United States notes, under act of February 25, 1862		86,420,870 00
From temporary loans, under acts of February 25, 1862, and March 17, 1862		169,218,044 81
From certificates of indebtedness, under acts of March 1 and 17, 1862		169,179,000 00
From six per cent. 1881 bonds, under act of March 3, 1863		42,141,771 05
From 10-40 years bonds, under act of March 3, 1864		73,337,680 00
From one-year five per cent. interest-bearing treasury notes, under act of March 3, 1863		44,520,000 00
From two-years five per cent. interest-bearing treasury notes, under act of March 3, 1863		166,480,000 00
From six per cent. compound interest notes, under act of March 3, 1863		17,250,000 00
Total receipts		1,389,466,963 41
Balance in the treasury on July 1, 1863		5,329,044 21
Total means		1,394,796,007 62

The expenditures for the year were as follows:

For civil, foreign intercourse, and miscellaneous		27,505,599 46
For interest, (pensions and Indian)		7,517,930 97
For war		690,791,842 97
For navy		85,733,292 77
For interest on the public debt, including treasury notes	$53,685,421 69	
For redemption of stock, loan of 1842	105,812 30	

For redemption of stock, Washington and Oregon war debt	$5,300 00	
For redemption of Texas indemnity stock, under act of September 9, 1850	992,000 00	
For redemption of treasury notes issued under acts prior to December 23, 1857	50 00	
For payment of treasury notes issued under act of December 23, 1857	2,000 00	
For payment of treasury notes issued under act of March 2, 1861	1,863,400 00	
For redemption of postage and other stamps, under act of July 17, 1862	5,024,900 00	
For redemption of United States notes, under act of July 17, 1861	2,892,427 50	
For redemption of 7 3-10 coupon bonds, under act of July 17, 1861	687,500 00	
For redemption of United States notes, under act of February 25, 1862	42,561,048 54	
For reimbursement of temporary loans, under acts of February 25 and March 17, 1862	197,299,734 04	
For redemption of certificates of indebtedness, under acts of March 1 and 17, 1862	165,080,241 65	
For redemption of fractional currency, under act of March 3, 1863	442,400 00	
For redemption of two-years five per cent. treasury notes, under act of March 3, 1863	13,615,200 00	
For redemption of three-years six per cent. compound interest treasury notes, under act of March 3, 1863	2,250,000 00	
		$486,507,435 72
Total expenditures		1,298,056,101 89
Balance in the treasury, July 1, 1864		96,739,905 73

From this apparent balance there should be deducted the amount of public debt redeemed by the Treasurer from moneys in the treasury, but for which redemption the Treasurer was not reimbursed by warrants, as follows:

7 3-10 three year notes	$29,934,600 00	
5 per cent. legal-tender notes	43,913,350 00	
Old United States notes	462,150 62	
Certificates of indebtedness	463,241 77	
Temporary loan	2,804,004 63	
Texas indemnity bonds	320,000 00	
		77,897,347 02
Leaving an actual cash balance in the treasury, July 1, 1864, of		18,842,558 71

No. 2.

Receipts and expenditures, as estimated, for the year ending June 30, 1866.

RECEIPTS.

From customs	$70,000,000 00
Internal duties	300,000,000 00
Lands	1,000,000 00
Miscellaneous sources	25,000,000 00
	396,000,000 00

EXPENDITURES.

Balance of unexpended appropriations	$350,000,000 00
For the civil service	33,082,097 24
Pensions and Indians	14,196,050 64
War Department	531,758,191 11
Navy Department	112,219,666 18
Interest on the public debt	127,000,000 00
	1,168,256,005 17
But from this aggregate there may be deducted, as likely to remain unexpended at the close of the year	350,000,000 00
	818,256,005 17
Deduct estimated receipts from ordinary sources	396,000,000 00
There will remain to be provided by loans	422,256,005 17

No. 3.

Statement of duties, revenues, and public expenditures during the fiscal year ending June 30, 1864, agreeably to warrants issued exclusive of trust funds.

The receipts into the treasury were as follows:

From customs, viz:		
During the quarter ending September 30, 1863	$22,562,018 42	
During the quarter ending December 31, 1863	23,211,520 86	
During the quarter ending March 31, 1864	27,439,654 13	
During the quarter ending June 30, 1864	29,102,959 58	
		$102,316,152 99
From sales of public lands, viz:		
During the quarter ending September 30, 1863	136,182 09	
During the quarter ending December 31, 1863	170,503 45	
During the quarter ending March 31, 1864	131,882 92	
During the quarter ending June 30, 1864	149,764 83	
		588,333 29
From direct tax, viz:		
During the quarter ending September 30, 1863		
During the quarter ending December 31, 1863	14,035 06	
During the quarter ending March 31, 1864	397,166 68	
During the quarter ending June 30, 1864	64,447 22	
		475,648 96
From internal revenue, viz:		
During the quarter ending September 30, 1863	17,599,713 59	
During the quarter ending December 31, 1863	27,262,631 26	
During the quarter ending March 31, 1864	27,685,212 45	
During the quarter ending June 30, 1864	37,193,576 80	
		109,741,134 10
From miscellaneous and incidental sources, viz:		
During the quarter ending September 30, 1863	641,542 04	
During the quarter ending December 31, 1863	1,912,529 09	
During the quarter ending March 31, 1864	12,527,351 39	
During the quarter ending June 30, 1864	32,430,025 58	
		47,511,448 10

From United States fractional currency	$3,169,721 25
From six per cent. 20-year bonds, under act of July 17, 1861	30,565,875 45
From 5-20 years bonds, under act of February 25, 1862	321,551,283 41
From United States notes, under act of February 25, 1862	86,420,870 00
From temporary loans, under acts of February 25 and March 17, 1862	169,218,044 81
From certificates of indebtedness, under acts of March 1, and 17, 1862	169,179,000 00
From six per cent. 1881 bonds, under act of March 3, 1863	42,141,771 05
From 10-40 years bonds, under act of March 3, 1864	73,337,680 00
From one year five per cent. interest-bearing treasury notes, under act of March 3, 1863	44,520,000 00
From two years five per cent. interest-bearing treasury notes, under act of March 3, 1863	166,480,000 00
From six per cent. compound interest notes, under act of March 3, 1863, and June 30, 1864	17,250,000 00
Total receipts	1,389,466,963 41
Balance in the treasury on July 1, 1863	5,329,044 21
Total means	1,394,796,007 62

The expenditures for the year were as follows:

For Congress, including books	$2,937,192 47	
For executive	3,433,013 92	
For judiciary	1,159,479 28	
For government in the Territories	216,731 07	
For assistant treasurers and their clerks	95,782 35	
For officers of the mint and branches, and assay office at New York	84,192 97	
For supervising and local inspectors, &c	63,362 58	
For surveyors general and their clerks	69,422 59	
Total civil list		$8,059,177 23

FOREIGN INTERCOURSE.

For salaries of ministers, &c	$303,141 50
For salaries of secretaries and assistant secretaries of legation	40,820 04
For salaries of consuls general, &c., including loss in exchange	390,480 13
For salaries of secretaries of legation to China, Japan, and Turkey as interpreters	2,055 23
For salaries of interpreters to the consulates in China and Japan	3,392 87
For interpreters, guards, and other expenses of consulates in the Turkish dominions	2,852 90
For contingent expenses of all the missions abroad	62,373 62
For contingent expenses of foreign intercourse	108,288 70
For intercourse with the Barbary powers	55 74
For office rent for consuls not allowed to trade	34,636 02
For purchase of blank books, stationery, &c., for consuls	39,372 34
For salaries of marshals of consular courts in Japan, &c., and rent of premises	7,112 00
For relief and protection of American seamen	153,196 99
For bringing home from foreign countries persons charged with crime	3,481 71
For expenses of acknowledging the services of masters and crews of foreign vessels in rescuing American citizens from shipwreck	5,188 21
For prosecution of work, including pay of commissioner, per 1st article of reciprocity treaty with Great Britain	7,000 00
For expenses of executing the neutrality acts of April 12, 1818	3,000 00
For compensation of commissioner, &c., to run and mark the boundary between the United States and British possessions bounding on Washington Territory	11,175 81

For rent of prisons for American convicts in Japan, China, Siam, and Turkey	$2,870 02	
For preservation of the archives of the consulates	288 84	
To carry into effect convention between the United States and the republic of Peru of January 12, 1863, for settlement of claims	15,919 26	
For awards under the convention between the United States and the republic of Peru of January 12, 1863	42,909 36	
For the relief of the owners of the French ship La Manche	46,065 66	
For the settlement of the account of James Keenan, late consul at Hong Kong	2,801 84	
For consular receipts per act of April 14, 1792	2,213 13	
Total foreign intercourse		$1,290,691 92

MISCELLANEOUS.

For mint establishment	503,290 31	
For contingent expenses under the act for safe keeping the public revenue	70,061 92	
For compensation to persons designated to receive and keep the public money	1,611 24	
For compensation to special agents to examine books, &c., in the several depositories	3,901 50	
For building vaults as additional security to the public funds in 66 depositories	12,786 60	
For compensation to receiver at Santa Fé, acting as depositary	2,000 00	
For salary of clerk, watchman and porter, office of depositary at Santa Fé	2,050 00	
For survey of Atlantic and Gulf coasts of the United States	184,100 00	
For survey of the western coasts of the United States	110,500 00	
For survey of the Florida reefs and keys	8,500 00	
For publishing the observations of the survey of the coasts of the United States	3,000 00	
For fuel and quarters for officers of the army serving in the coast survey	5,000 00	
For the repairs of the Crawford, &c., used in the coast survey	5,000 00	
For pay and rations of engineers for seven steamers used in the coast survey	6,000 00	
For paying arrears due authors and artists of the exploring expedition	2,000 00	
For the services of the California central route	999,980 00	
For facilitating communication between the Atlantic and Pacific States by electric telegraph	40,082 34	
For collections of agricultural statistics	90,000 00	
For payment for horses and other property lost or destroyed in the military service of the United States	484,902 13	
For claims not otherwise provided for	1,980 57	
For expenses of the Smithsonian Institution	30,910 14	
For the continuation of the Treasury building	655,491 54	
For a site and erection thereon of a penitentiary in Utah Territory	8,363 00	
For a capitol in Washington Territory	50 00	
For constructing burglar-proof vaults for the assistant treasurer at New York, and fire-proof file cases for the collector at New York, and for incidental expenses of a change of location of those offices	73,492 94	
For building post offices, court-houses, &c., including purchase of sites	39,842 03	
For expenses incident to the issue and disposal of $200,000,000 United States bonds	347,017 17	
For compensation to prize commissioners and other expenses connected therewith	3,553 10	

For salaries of commissioners in insurrectionary districts in the United States, &c.	$43,834 28
For contingent expenses of commissioners of direct taxes in insurrectionary districts in the United States	5,998 66
For the purchase of sorghum seed	2,000 00
For rebuilding shop in the propagating garden	800 00
For postage, Department of Agriculture	1,320 00
For the purchase of cotton seed	70 70
For carpets, furniture, and cans for fruit	350 00
For testing the practicability of raising hemp and flax as a substitute for cotton	5,000 00
For fuel	300 00
For expenses of commissions, &c., to carry into effect a national loan	2,040,127 97
For expenses incident to an act to provide a national currency	356,765 37
For the detection and bringing to trial persons engaged in counterfeiting coin, &c	25,964 66
For a series of portraits of Presidents for the Executive mansion	5,000 00
For the release of certain persons held to service or labor in the District of Columbia	250 00
For allowance or drawback on articles on which internal duty or tax has been paid	713,987 78
For lighting and ventilating the Treasury building	1,485 41
For expenses of collecting the revenue from customs,	4,146,584 93
For repayment to importers of excess of deposits from ascertained duties	2,597,891 99
For debentures on drawbacks, bounties or allowances.	1,051,331 65
For refunding duties under the act extending the warehouse system	491 50
For debentures and other charges	9,184 80
For salaries of special examiners of drugs	4,249 83
For additional compensation to collectors, naval officers, &c	1,120 56
For support and maintenance of light-houses, &c	766,572 63
For building light-houses, &c.; for beacons, buoys, &c	164,189 04
For light-boats, compensation of keepers of stations, &c	29,842 13
For marine hospital establishments	260,911 84
For building marine hospitals, including repairs, &c	24,571 79
For building custom-houses, including repairs, &c.	83,068 02
For building marine hospitals and custom-houses	1,014 13
For unclaimed merchandise	2,490 25
For proceeds of sale of goods, wares, &c	405 05
For repairing government warehouse at Staten Island	39,550 00
For purchase of steam or sailing revenue cutters	377,666 63
For expenses of collecting the revenue from sales of public lands	100,995 91
For rents of surveyor general's offices, &c	11,498 53
For repayment of lands erroneously sold	12,227 41
For indemnity for swamp lands sold to individuals.	31,348 52
For debentures and other charges	2,027 54
For surveys of public lands	91,112 40
For surveys of public lands in California	650 08
For services of special counsel, &c., in defending the title to public property in California	9,759 00
For preparing unfinished records of surveys to be transferred to the State authorities	1,721 51
For suppression of the slave trade	65,538 41
For colonization of persons of African descent	10,692 15
For expenses of taking the eighth census	59,950 00
For salaries and other necessary expenses of Metropolitan police	108,000 00
For repairs, &c., for the President's House	6,000 00
For rebuilding the President's stables	10,000 00

For lighting the President's House from the Capitol with gas, &c	$78,922 83	
For fuel for the President's House	2,400 00	
For work of art for the ornamentation of the Capitol	5,018 00	
For alterations and repairs of buildings in Washington, improvements of grounds, &c	478,257 12	
For compensation of public gardener, gate-keepers, laborers, watchman, &c	24,553 10	
For penitentiary in the District of Columbia	15,341 85	
For Columbia Institute for Deaf, Dumb, and Blind, in the District of Columbia	11,695 00	
For completing the Washington aqueduct	129,756 70	
For Potomac and Eastern Branch bridges, compensation of draw-keepers, &c	1,193 49	
For support of transient paupers in the District of Columbia	6,000 00	
For expense of packing and distributing congressional journals and documents	4,000 00	
For patent fund	198,683 17	
For the Patent Office building	67,800 00	
For support of insane paupers of the District of Columbia and army and navy of the United States	62,500 00	
For preservation of collections of the exploring expedition	4,000 00	
For expenses incurred in fitting up a territorial prison at Denver, Territory of Colorado	4,754 75	
For the purchase of United States statutes	7,000 00	
For the encouragement in the State of Illinois	1,565 80	
For roads and canals, State of Arkansas	19,634 75	
For roads and canals, State of Michigan	1,676 12	
For drawings to illustrate the report of Commissioner of Patents	5,000 00	
For coal for library of Congress	495 00	
For the relief of sundry individuals	48,550 88	
	18,156,878 15	
From which deduct repayments on account of appropriations under which there were no expenditures during the year	1,147 84	
Total miscellaneous		$18,155,730 31

UNDER THE DIRECTION OF THE INTERIOR DEPARTMENT.

For the Indian department	2,538,297 80	
For pensions, military	4,799,669 63	
For pensions, naval	167,443 54	
For relief of sundry individuals	12,520 00	
Total Interior Department		7,517,930 97

UNDER THE DIRECTION OF THE WAR DEPARTMENT.

For pay of the army proper	4,360,213 90	
For pay of volunteers	204,047,917 42	
For subsistence of volunteers and regulars	95,230,415 43	
For Quartermaster's department	309,078,752 79	
For arms, ordnance, &c	35,228,748 47	
For forts, arsenals, armories, &c	5,732,639 28	
For Military Academy at West Point	40,754 50	
For medical and hospital department	11,044,288 18	
For expenses of recruiting	302,209 71	
For collecting and drilling volunteers	5,688,180 09	
For draft and substitute fund	5,302,641 00	
For bounty to volunteers and regulars	12,258,847 00	
For refunding to States expenses incurred in raising volunteers	1,269,565 57	
For miscellaneous	1,206,669 63	
Total War Department		690,791,842 97

UNDER THE DIRECTION OF THE NAVY DEPARTMENT.

For pay of the navy	$20,099,760 78	
For provisions and clothing	5,316,805 93	
For contingencies of the navy	22,379 93	
For prize money to captors	2,229,872 61	
For medicine and surgery	214,633 78	
For construction and repair	30,649,300 53	
For steam machinery	9,101,998 12	
For equipment and recruiting	7,185,171 57	
For ordnance, &c	7,179,302 03	
For yards and docks	2,405,328 79	
For marine corps	985,302 17	
For navigation, &c	287,920 74	
For Naval Academy	42,879 51	
For relief of sundry individuals	12,636 28	
Total Navy Department		$85,733,292 77
To which add:		
For interest on the public debt, including treasury notes		53,685,421 69
Total expenditures, exclusive of principal of the public debt		865,234,087 86

PRINCIPAL OF THE PUBLIC DEBT.

For redemption of stock loan of 1842	105,812 30	
For reimbursement of treasury notes issued under acts of Congress prior to December 23, 1857	50 00	
For redemption of Texan indemnity stock, act of 9th September, 1850	992,000 00	
For redemption of stock, Washington and Oregon war debt	5,300 00	
For redemption of United States treasury notes, act December 23, 1857	2,000 00	
For redemption of 7 3/10 coupon bonds, act July 17, 1861	687,500 00	
For redemption of United States treasury notes, act March 2, 1861	1,863,400 00	
For redemption of United States treasury notes, act July 17, 1861	2,892,427 50	
For redemption of United States treasury notes, act February 25, 1862	42,561,048 54	
For redemption of United States certificates of indebtedness, per acts 1st and 17th March, 1862	165,080,241 65	
For redemption of temporary loan, acts February 25 and March 17, 1862	197,299,734 04	
For redemption of postage and other stamps authorized by act July 17, 1862	5,024,900 00	
For redemption of fractional currency, act March 3, 1863	442,400 00	
For redemption of 2-year 5 per cent. treasury notes, act March 3, 1863	13,615,200 00	
For redemption of 3-year 6 per cent. compound interest treasury notes, acts March 3, 1863, and June 30, 1864	2,250,000 00	
Total principal of the public debt		432,822,014 03
Balance in the treasury July 1, 1864		96,739,905 73

S. B. COLBY, *Register.*

TREASURY DEPARTMENT,
Register's Office, November 28, 1864

No. 4.

Statement of the receipts and expenditures of the United States for the quarter ending September 30, 1864, exclusive of trust funds.

RECEIPTS.

From customs	$19,271,091 96
From sales of public lands	342,185 84
From direct tax	16,079 86
From internal revenue	46,562,859 92
From miscellaneous sources	9,020,171 44
From fractional currency, per act of March 3, 1863	4,340,798 15
From United States notes, per act of February 25, 1862	3,355,820 00
From 5-20 years bonds, per act of February 25, 1862	201,357 15
From temporary loans, per acts of February 25 and March 17, 1862	21,198,951 97
From certificates of indebtedness, per acts of March 1 and 17, 1862	85,471,200 63
From 6 per cent. twenty-years bonds, per act of July 17, 1861	78,963,524 55
From 6 per cent. 1881 bonds, per act of March 3, 1863	31,848,763 23
From 10-40 years bonds, per act of March 3, 1864	6,910,680 50
From 6 per cent. compound interest treasury notes, per acts of March 3, 1863, and June 30, 1864	88,073,446 00
From 7 3-10 three-years treasury notes, per act of June 30, 1864	56,491,400 00
	452,068,325 20

EXPENDITURES.

Civil, foreign intercourse, and miscellaneous		$8,712,422 51
Interior, pensions, and Indian		4,935,179 31
War		286,200,288 52
Navy		33,292,916 49
Interest on the public debt, including treasury notes		19,921,054 48
Expenditures exclusive of the principal of the public debt		353,061,861 31
Principal of public debt:		
Reimbursement of treasury notes, per acts prior to December 23, 1857	$50 00	
Reimbursement of treasury notes, per act of December 23, 1857	1,000 00	
Reimbursement of treasury notes, per act of March 2, 1861	10,450 00	
Redemption of postage and other stamps, per act of July 17, 1861	954,550 40	
Redemption of United States notes, per act of July 17, 1861	243,245 00	
Redemption of 7 3-10 three-years coupon bonds, per act of July 17, 1861	106,315,100 00	
Redemption of treasury notes, per act of February 25, 1862	1,044,379 87	
Reimbursement of temporary loans, per acts of February 25 and March 17, 1862	46,507,680 49	
Redemption of United States certificates of indebtedness, per acts of March 1 and 17, 1862	15,183,000 00	
Redemption of fractional currency, per act of March 3, 1863	878,048 00	
Redemption of two-years 5 per cent. interest-bearing treasury notes, per act of March 3, 1863	57,238,850 00	
Redemption of three-years six per cent. compound interest notes, per acts of March 3, 1863, and June 30, 1864	743,760 00	
		229,120,113 76
		582,181,975 07

S. B COLBY, *Register.*

TREASURY DEPARTMENT,
Register's Office, November 28, 1864.

No. 5.—*Statement of the indebtedness*

	Acts authorizing loans, and synopsis of same.
Act of July 21. 1841, and Apri 15, 1842.	Authorized a loan of $12,000.000, bearing interest at a rate not exceeding 6 per cent. per annum, and reimbursable at the will of the Secretary, after six months' notice, or at any time after three years from the 1st of January, 1842. The act of April 15, 1842, authorized the loan of an additional sum of $5,000.000, and made the amount obtained on the loan after the passage of this act reimbursable after six months' notice, or at any time not exceeding twenty years from the 1st day of January, 1843. This loan was made for the purpose of redeeming outstanding treasury notes, and to defray any of the public expenses.
Act of Jan. 28, 1847.....	Authorized the issue of $23,000.000 in treasury notes, bearing interest at a rate not exceeding 6 per cent. per annum, with authority to borrow any portion of the amount, and issue bonds therefor, bearing interest at a rate not exceeding 6 per cent., and redeemable after the 31st of December, 1867. The 13th section authorized the funding of these notes into bonds of the same description. The act limited the amount to be borrowed or issued in treasury notes and funded as aforesaid to $23.000.000, but authorized the funding of treasury notes issued under former acts beyond that amount. The excess of the $23,000,000 is made up of treasury notes funded under the 14th section.
Act of March 31, 1848 ...	Authorized a loan of $16,000.000. bearing interest at a rate not exceeding 6 per cent. per annum, and reimbursable at any time after twenty years from the 1st of Jn.y, 1848.. Authority was given the Secretary to purchase the stock at any time
Act of Sept. 9, 1850.....	Authorized the issue of $10,000 000 in bonds, bearing 5 per cent. interest, and redeemable at the end of fourteen years, to indemnify the State of Texas for her relinquishment of all claims upon the United States for liability of the debts of Texas, and for compensation for the surrender to the United States of her ships, forts, arsenals, custom-houses, &c., which became the property of the United States at the time of annexation.
Old funded and unfunded debts.	Consisting of unclaimed dividends upon stocks issued before the year 1800, and those issued during the war of 1812.
Acts prior to 1857.....	Different issues of treasury notes .....
Act of Dec. 23, 1857.....	Authorized an issue of $20 000,000 in treasury notes, bearing interest at a rate not exceeding 6 per cent. per annum, and receivable in payment of all public dues, and to be redeemed after the expiration of one year from the date of said notes.
Act of June 14, 1858	Authorized a loan of $20,000,000 bearing interest at a rate not exceeding 5 per cent. per annum. and reimbursable at the option of the government at any time after the expiration of fifteen years from the 1st of January, 1859.
Act of June 22, 1860	Authorized a loan of $21,000 000 bearing interest at a rate not exceeding 6 per cent. per annum, and reimbursable within a period not beyond twenty years, and not less than ten years, for the redemption of outstanding treasury notes, and for no other purpose.
Act of Dec. 17, 1860.....	Authorized an issue of $10.000,000 in treasury notes, to be redeemed after the expiration of one year from the date of issue, and bearing such a rate of interest as may be offered by the lowest bidders. Authority was given to issue these notes in payment of warrants in favor of public creditors at their par value, bearing 6 per cent. interest per annum.
Act of Feb. 8, 1861.....	Authorized a loan of $25.000.000, bearing interest at a rate not exceeding 6 per cent. per annum, and reimbursable within a period not beyond twenty years, nor less than ten years. This loan was made for the payment of the current expenses, and was to be awarded to the most favorable bidders.
Act of March 2, 1861....	Authorized a loan of $10,000,000, bearing interest at a rate not exceeding six per cent. per annum, and reimbursable after the expiration of ten years from July 1, 1861. In case proposals for the loan were not acceptable, authority was given to issue the whole amount in treasury notes bearing interest at a rate not exceeding six per cent. per annum. Authority was also given to substitute treasury notes for the whole or any part of the loans for which the Secretary was by law authorized to contract and issue bonds, at the time of the passage of this act, and such treasury notes were to be made receivable in payment of all public dues, and redeemable at any time within two years from March 2, 1861.
Act of March 2, 1861....	Authorized an issue, should the Secretary of the Treasury deem it expedient, of $2,800,000, in coupon bonds, bearing interest at the rate of six per cent. per annum, and redeemable in twenty years, for the payment of expenses incurred by the Territories of Washington and Oregon in the suppression of Indian hostilities, during the years 1855 and 1856.
Acts of July 17, 1861, and August 5, 1861.	Authorized a loan of $250,000.000, for which could be issued bonds bearing interest at a rate not exceeding seven per cent. per annum, irredeemable for twenty years, and after that redeemable at the pleasure of the United States; treasury notes bearing interest at the rate of 7.30 per cent. per annum, payable three years after date, and United States notes without interest, payable on demand, to the extent of $50.000,000, (increased by act of February 12, 1862, to $60.000,000,) the bonds and treasury notes to be issued in such proportions of each as the Secretary may deem advisable. The supplementary act of August 5, 1861, authorized an issue of bonds bearing six per cent. interest per annum, and payable at the pleasure of the United States after twenty years from date, which may be issued in exchange for 7-30 treasury notes, but no such bonds to be issued for a less sum than $500, and the whole amount of such bonds not to exceed the whole amount of 7-30 treasury notes issued.

of the United States, June 30, 1864.

Title.	Length of loan.	When redeemable.	Rate of interest.	Price of emission.	Amount authorized.	Amount issued.	Outstanding June 30, 1864.
Loan of 1842	Twenty years.	After December 31, 1862.	6 p. ct. p. annum.	Par	$17,000,000	$8,000,000	$196,808 45
Loan of 1847	Twenty years.	After December 31, 1867.	6 p. ct. p. annum.	Par	23,000,000	28,207,000	9,415,250 00
Loan of 1848	Twenty years.	After July 1, 1868	6 p. ct. p. annum.	Par	16,000,000	16,000,000	8,908,341 80
Texas indemnity	Fifteen years.	After December 31, 1864.	5 p. ct. p. annum.	Par	10,000,000	5,000,000	2,149,000 00
Old funded debt	Demand	On demand	3 & 6 p. ct.	Par	.....	.....	114,115 48
Treasury notes	.....	On demand	1m. to 6p.c.	Par	.....	.....	104,511 64
Treasury notes	One year.	One year after date.	5 to 5½ p. ct	Par	20,000,000	20,000,000	8,900 00
Loan of 1858	Fifteen years.	December 31, 1873	5 p. ct. p. annum.	Par	20,000,000	20,000,000	20,000,000 00
Loan of 1860	Ten years.	After December 31, 1870.	5 p. ct. p. annum.	Par	21,000,000	7,022,000	7,022,000 00
Treasury notes	One year.	One year after date.	6 and 12 p. ct. p. an.	Par	10,000,000	10,000,000	600 00
Loan of Feb. 8, 1861.	Twenty years.	After June 1, 1881	6 p. ct. p. annum.	Par	25,000,000	18,415,000	18,415,000 00
Treasury notes.	2 years.	2 y'rs after date	6 pr. cent. per an.	Par.	22,468,100	22,468,100	164,500 00
	60 days.	60 days after date			12,896,350	12,896,350	
Oregon war	20 yrs.	After July 1, 1881.	6 per cent. per an.	Par.	2,800,000	1,090,850	1,016,000 00
20 yr's sixes	20 yrs.	After June 30, 1881.	6 p. ct. p. an.	.....	.....	50,000,000	50,000,000 00
7.30 notes	3 yrs.	After Aug. 18, '64.	7.30 pr. ct. per an.	.....	.....	139,999,700	109,356,150 00
(Two issues.)		After Sept. 30, '64.					
Dem'd notes	Payable on demand.	Demand	None	.....	.....	60,000,000	780,999 25
20 y'rs sixes	20 yrs.	After June 30, 1881.	6 per cent. per an.	Par.	Exchangeable for 7.30 treas'y notes.	.....	30,643,600 00

No. 5.—*Statement of the indebtedness*

	Acts authorizing loans, and synopsis of same.
Act of February 25, 1862.	Authorized the issue of $500,000,000 in six per cent. bonds, redeemable after five years, and payable twenty years from date, which may be exchanged for United States notes. Also, on
March 3, 1864.....	Authorized the issue of not over $11,000,000 additional of similar bonds, to meet subscriptions already made and paid for.
Act of February 25, 1862.	Authorized the issue of $150,000,000 in legal-tender United States notes, $50,000,000 of which to be in lieu of demand notes issued under act of July 17, 1861.
Act of July 11, 1862	Authorized an additional issue of $150,000,000 legal-tender notes, $35,000,000 of which might be in denominations less than five dollars; $50,000,000 of this issue to be reserved to pay temporary loans promptly in case of emergency.
Resolution of Congress, January 17, 1863.	Authorized the issue of $100,000,000 in United States notes, for the immediate payment of the army and navy, such notes to be a part of the amount provided for in any bill that may hereafter be passed by this Congress. (The amount in this resolution is included in act of March 3, 1863.)
Act of March 3, 1863....	A further issue of $150,000,000 in United States notes, for the purpose of converting the treasury notes which may be issued under this act, and for no other purpose. And a further issue, if necessary, for the payment of the army and navy, and other creditors of the government, of $150,000,000 in United States notes, which amount includes the $100,000,000 authorized by the joint resolution of Congress, January 17, 1863.
Act of February 25, 1862.	Authorized a temporary loan of $25,000,000 in United States notes, for not less than thirty days, payable after ten days' notice, at five per cent. interest per annum. (This was increased to $100,000,000 by the following acts.)
March 17, 1862.....	Authorized an increase of temporary loans of $25,000,000, bearing interest at a rate not exceeding five per cent. per annum.
July 11, 1862	Authorized a further increase of temporary loans of $50,000,000, making the whole amount authorized $100,000,000.
Act of June 30, 1864....	Authorized the increase of temporary loans to not exceeding $150,000,000, at a rate not exceeding six per cent.
Act of March 3, 1863....	Authorized a loan of $300,000,000 for this, and $600,000,000 for the next fiscal year, for which could be issued bonds running not less than ten, nor more than forty years, principal and interest payable in coin, bearing interest at a rate not exceeding six per cent. per annum, payable in bonds not exceeding $100 annually, and on all others semi-annually, the whole amount of bonds, treasury notes, and United States notes, issued under this act, not to exceed the sum of $900,000,000.
Act of June 30, 1864....	And so much of this act as limits the loan authorized therein to the current fiscal year is repealed by act of June 30, 1864, except so far as it may affect $75,000,000 of bonds already advertised.
Act of March 3, 1863....	And treasury notes to the amount of $400,000,000, not exceeding three years to run, with interest at not over six per cent. per annum, principal and interest payable in lawful money, which may be made a legal tender for their face value, excluding interest, or convertible into United States notes.
Act of June 30, 1864....	Authorizes the issue of and in lieu of an equal amount of bonds authorized by the first section and as a part of said loan not exceeding $200,000,000 in treasury notes of any denomination not less than $10, payable at any time not exceeding three years from date, or, if thought more expedient, redeemable at any time after three years from date, and bearing interest not exceeding the rate of 7 3-10 per centum, payable in lawful money at maturity, or at the discretion of the Secretary semi-annually; and such of them as shall be made payable, principal and interest, at maturity, shall be a legal tender to the same extent as United States notes, or their face value, excluding interest, and may be paid to any creditor of the United States at their face value, excluding interest, or to any creditor willing to receive them at par, including interest; and any treasury notes issued under the authority of this act may be made convertible at the discretion of the Secretary of the Treasury into any bonds issued under the authority of this act, and the Secretary of the Treasury may redeem and cause to be cancelled and destroyed any treasury notes, or United States notes, heretofore issued under authority of previous acts of Congress, and substitute in lieu thereof an equal amount of treasury notes, such as are authorized by this act, or of other United States notes; nor shall any treasury note bearing interest issued under this act be a legal tender in payment or redemption of any notes issued by any bank, banking association, or banker, calculated or intended to circulate as money.
Act of June 30, 1864....	Authorized the issue of $400,000,000 of bonds redeemable at the pleasure of the government after any period not less than five nor more than thirty years, or, if deemed expedient, made payable at any period not more than forty years from date. And said bonds shall bear an annual interest not exceeding 6 per centum, payable semi-annually in coin. And the Secretary of the Treasury may dispose of such bonds, or any part thereof, and of any bonds commonly known as five-twenties, remaining unsold, on such terms as he may deem most advisable for lawful money of the United States, or at his discretion for treasury notes, certificates of indebtedness, or certificates of deposit, issued under any act of Congress.

of the United States, June 30, 1864—Continued.

Title.	Length of loan.	When redeemable.	Rate of interest.	Price of remission.	Amount authorized.	Amount issued.	Outstanding June 30, 1864.
Five-twenties	5 or 20 years.	After April 30, '67.	6 per cent.	Par.	$511,000,000	$510,780,500	$510,780,500 00
United States notes, new issue.	.....	.....	None.	Par.	450,000,000	.....	431,178,670 84
Temp'y loan	Not less than 30 days.	After ten days' notice.	4, 5, and 6 per cent.	Par.	150,000,000	.....	72,330,191 44
Loan of 1863	.....	After June 30, 1881.	6 per cent.	Pr'm. 4.13 p.ct.	75,000,000	Being issued.	42,672,273 34
Treasury notes.	2 years.	2 yrs. after date	5 per cent.	Par.	.....	166,480,000	102,951,450 00
	1 year.	1 year after date	5 per cent.	Par.	400,000,000	44,520,000	44,520,000 00
Treasury notes	3 years.	Three years after date.	6 per cent. compound interest.	Par.	.....	17,250,000	15,000,000 00

No. 5.—*Statement of the indebtedness*

	Acts authorizing loans, and synopsis of same.
Act of March 3, 1864....	Authorizes the issue of bonds not exceeding $200,000,000, bearing date March 1, 1864, or any subsequent period, redeemable at the pleasure of the government after any period not less than five years, and payable at any period not more than forty years from date, in coin, bearing interest not exceeding six per centum a year, payable on bonds not over one hundred dollars annually, and on all other bonds semi-annually, in coin.
Act of March 1, 1862....	Authorized an issue of certificates of indebtedness, payable one year from date, in settlement of audited claims against the government. Interest 6 per cent. per annum, payable in gold; and by
Act of March 3, 1863....	Payable in lawful currency on those issued after that date. Amount of issue not specified.
Act of July 17, 1862....	Authorized an issue of notes of the fractional parts of one dollar, receivable in payment of all dues, except customs, less than five dollars, and exchangeable for United States notes in sums not less than five dollars. Amount of issue not specified.
Act of March 3, 1863....	Authorized an issue not exceeding $50,000,000 in fractional currency, (in lieu of postage or other stamps,) exchangeable for United States notes in sums not less than three dollars, and receivable for any dues to the United States less than five dollars, except duties on imports. The whole amount issued, including postage and other stamps issued as currency, not to exceed $50,000,000. Authority was given to prepare it in the Treasury Department, under the supervision of the Secretary.
Act of June 30, 1864....	Authorized issue in lieu of the issue under acts of July 17, 1862, and March 3, 1863, the whole amount outstanding under all these acts not to exceed $50,000,000.

of the United States, June 30, 1864—Continued.

Title.	Length of loan.	When redeemable.	Rate of interest.	Price of emission.	Amount authorized.	Amount issued.	Outstanding June 30, 1864.
Ten-forties	10 or 40 years.	After Feb. 28, 1874.	5 per cent.	Par.	$200,000,000	$73,337,750	$73,337,750 00
Certificates of indebtedness.	1 yr.	One year after date.	6 per cent.	Par.	Not specified.	.....	160,729,000 00
Postal currency	.....	.....	.....	Par.	Not specified.	20,192,456	15,167,556 00
Fractional currency.	.....	.....	.....	Par.	50,000,000	.....	7,727,321 25
							1,740,690,489 49

A.

OFFICE OF COMPTROLLER OF THE CURRENCY,
November 25, 1864.

In compliance with the requirements of the 61st section of the national currency act, I have the honor of making through you to the Congress of the United States the following report:

Since my last annual report two hundred and eighty-two new banks have been organized, and one hundred and sixty-eight State banks have been changed into national ones. Of the one hundred banks last organized, sixty-seven have been conversions of State banks, and nearly all the papers now being filed are for the change of State banks into national associations.

There are now in existence, under the national currency act, five hundred and eighty-four associations, which are located in the following States:

In Maine	18
In New Hampshire	9
In Vermont	10
In Massachusetts	67
In Rhode Island	2
In Connecticut	20
In New York	100
In New Jersey	16
In Pennsylvania	109
In Deaware	1
In Mayland	3
In District of Columbia	2
In Viriuia	1
In Wet Virginia	2
In Ohi	84
In Micigan	15
In Indua	34
In Illinis	38
In Wisousin	15
In Minesota	4
In Iow	20
In Missouri	7
In Kanas	1
In Nebaska Territory	1
In Kenucky	1
In Tennessee	3
In Louisiana	1

The paid-in capital of the banks in the respective States and Territories, the currency delivered to them, (a considerable portion of which has not been put into circulation,) and the bonds deposited with the Treasurer to secure their notes, are as follows.

State.	Capital stock paid in.	Circulation.	Bonds.
Maine	$2,749,800 00	$1,887,880	$2,244 500
New Hampshire	1,120 000 00	552,700	944,000
Vermont	1,490,000 00	1,311,800	1,636,000
Rhode Island	700,000 00	414,000	560,000
Massachusetts	25,909,040 00	12,536,850	16,888,650
Connecticut	5,176,638 00	4,084,050	4,525,500
New York	20,599,175 03	12,584,950	14,064,600
Pennsylvania	21,120,148 88	10,193,830	14,964,150
New Jersey	2,141,249 00	1,756,170	2,011,000
Delaware	300,000 00	209,000	250,000
Maryland	1,560,000 00	1,245,000	1,400,000
District of Columbia	600,000 00	477,000	534,000
Virginia	95,025 00	95,000	112,000
West Virginia	206,950 00	140,000	230,000
Ohio	10,035,165 86	7,505,880	8,749,250
Kentucky	200,000 00	162,000	184,000
Indiana	4,201,671 26	3,148,400	3,924,100
Illinois	4,147,837 25	3,396,560	3,794,600
Michigan	1,165,090 00	797,800	943,500
Wisconsin	1,040,277 00	774,500	903,050
Minnesota	590,000 00	442,000	603,000
Iowa	1,215,000 00	945,900	1,095,000
Nebraska Territory	40,000 00	27,000	36,000
Kansas	100,000 00	49,000	54,000
Missouri	1,621,530 00	722,000	864,000
Tennessee	340,000 00	234,380	267,000
Louisiana	500,000 00	180,000	207,000
Total	108,964,597 28	65,864,650	81,901,450

A detailed statement of the affairs of each bank on the first Monday of October last, with an abstract of the condition of all of them in the aggregate on that day, is herewith submitted, together with the names and compensation of the clerks, and the total expenses of the bureau for the fiscal year.

A large proportion of the circulating notes which have been furnished by the Comptroller was intended to take the place and is taking the place of the circulation of such State banks as have been converted into national ones, or of those whose notes have been voluntarily retired, or have been returned from those parts of the country in which the notes of the United States and of the national banks are alone current; so that the currency delivered to the national banks is not and will not be altogether an addition to the paper money of the country, but rather, to a considerable extent, the substitution of it for that of the State banks.

It is perhaps to be regretted that so many new banks have been organized in States where, before the passage of the act, there was no deficiency of banking capital. There would have been less cause for apprehension that banking capital in any of the States was being too rapidly increased, if, by suitable legislation of the States, State banks had been sooner authorized to avail themselves of the benefits of the national currency act, and the managers of banks, where the necessary legislation had been obtained, had more promptly discerned the inevitable tendency of the public sentiment, and co-operated with the government in its efforts to nationalize the bank note circulation of the country. It was not the intention of the originators and friends of the system, nor has it been the policy of the Comptroller, to swell, through the instrumentality of the national banks, the volume of paper money. On the contrary, the system was

designed to check overissues by requiring ample security for every dollar which should be put into circulation, and it has been the aim of the Comptroller so to administer the law as to prevent, instead of encouraging, an unhealthy and dangerous expansion of credits.

I am happy in being able to say that my apprehensions of a too rapid increase of national banks have been much lessened by the recent action of many State banks. The legislature of Pennsylvania, following the example of the legislatures of Massachusetts, Connecticut, &c., has recently authorized the banks of that State to reorganize under the national system, and the stockholders of so many of them are availing themselves of this authority, as to render it quite certain that at an early day there will be in this great central State, without a dangerous increase of its banking capital, but one system of banking. In fact, the indications are now unmistakable that the time is not far distant when the people of the United States will be everywhere relieved of a bank note circulation of limited credit and uncertain value, and supplied with one of uniform credit and as solvent as the nation. It has been the earnest wish of the Comptroller that this desirable result should be brought about through the agency of existing banks, rather than by the organization of new ones, so that the national circulation might be introduced with as little increase of banking capital as possible. A national bank note currency will be one of the compensations for the heavy debt which has been incurred in the terrible contest in which the nation has been involved. If it can be everywhere introduced, as now seems probable, without creating a dangerous bank note inflation, it will prove to be a compensation which more than anything else will reconcile the people to the burdens which the war must necessarily impose upon them. It will be so by its tendency to regulate domestic exchanges, by the stability it will give to trade, in preventing unsecured issues and bank note panics, by saving the people from losses in the use of paper money, and by its influence in securing and perpetuating that national unity which is the ark of our safety.

It is an interesting fact, that this great change is taking place—this great financial revolution, if I may so call it, is being accomplished, without disturbing the business of the country. State banks, whose conversions are facilitated by enabling acts, are being daily reorganized without a curtailment of discounts, or even a temporary derangement of their affairs. Nearly all the banking capital of Philadelphia has been recently nationalized, with scarcely an interruption of the business of the banks for a single day. In States where no enabling legislation has been obtained, the change from the State to the national system is attended with more difficulty. But even in these States, by the organization of national banks by the stockholders of State banks, and the transfer of the assets of the latter to the former, the change has been already, in many instances, effected without loss to the owners, and with very little practical inconvenience to the managers.

It is also an interesting fact, that the stock of State banks which have been changed into national associations has not been depreciated by the change; on the contrary, the shares of most of them have been appreciated, and I know of no instance in which their real or market value has been injuriously affected by it. This fact sufficiently refutes the charge, sometimes urged against the system, that it was being forced upon the country to the prejudice of the stockholders of State institutions.

It may be proper for me to state another fact in this connexion of interest to the public, which is, that the national banks are, without any known exceptions, in safe, although some of them are in inexperienced hands, and that the fears that the national banking system would be the means of filling the country with banks of fictitious capitals, and be a reproduction, on a large scale, of the stock banking systems of States in which they had proved to be a failure, if not a fraud, are, from present indications, without a real foundation.

The fact that such apprehensions were entertained or were professed to be entertained by the bankers of a State, in which a system similar in some of its main feautres was in practical operation, intimidated, for a while, the capitalists of other States, and retarded the reorganization of State banks, but worked no permanent injury to the national system. On the contrary, the expression of these fears has led to a thorough examination of the act, and a careful observation of its administration, and the result has been favorable to both. It has been discovered that in many important particulars the national system differs from, and is an improvement upon, the State system, which it the most closely resembles; that it restricts circulation to ninety per cent. of the bonds on deposit with the Treasurer, and prohibits the banks from issuing notes to an amount exceeding their bona fide paid up capitals, sworn to by their officers; that every interior national bank, in addition to redeeming its notes at its own counter, is compelled to redeem at par, at some commercial centre, thereby tending to prevent high rates of exchange between the different sections of the country, and that, in case of the failure of a bank to redeem its notes according to the provisions of the act, these notes, instead of being depreciated, would be at once redeemable in lawful money, at the treasury of the United States. It has been also ascertained that the Comptroller is requiring the most satisfactory references or credentials in regard to the standing and responsibility of the persons proposing to organize national banks, and is instituting a system of examinations which will do much to expose and check improper practices on the part of the bankers, and violations of the wholesome provisions of the law.

This examination of the act, and the observation of the manner in which it it is being administered, have resulted in the entering up of a popular judgment in favor of the national banking system; a judgment, not that the system is a perfect one, nor free from danger of abuse, but that it is a safer system, better adapted to the nature of our political institutions, and to our commercial necessities, giving more strength to the government, with less risk of its being used by the government against the just rights of the States, or the rights of the people, than any system which has yet been devised, and that by such amendments of the act as experience may show to be needful, it may be made as little objectionable, and as beneficial to the government and the people, as any paper money banking system that wisdom and experience are likely to invent. It promises to give to the people that long existing "desideratum," a national currency without a national bank, a bank note circulation of uniform value without the creation of a moneyed power in a few hands over the politics and business of the country.

Of course this system depends for its success upon the maintenance of the faith and credit of the nation, which, in their turn, depend upon the preservation of the national integrity. If these fail, the national banking system will fail; but it will go down with all other important interests, and will be but a part of the general wreck. That such a calamity is not in store for us is the confident hope and belief of all true men of the loyal States. The anxieties and apprehensions which have existed heretofore on this point are rapidly disappearing as the loyal mind of the United States has hardened to the inexorable resolution that the Union shall be preserved, and the public credit shall be maintained, no matter what sacrifices and burdens the execution of this resolution may involve.

It is a common objection to the national banking system, on the part of some who favor a national currency, that it will deprive the government of the privilege it might safely use, and the field it might profitably occupy, by the continued circulation of its own notes. Why, it is asked, should not the government drive out of circulation all bank notes, and continue to issue, as it has done since the commencement of the war, its own notes, and thus save the interest which otherwise will go to the banks? In answer, I would remark:

The banking interest in the United States is an important one; it has grown with the business of the country, and has been largely instrumental in developing the national resources and in increasing the national wealth. Banks of issue, badly and dishonestly as many of them have been managed, and disastrous as have been the failures which bad management and dishonesty have produced, have still been of unquestionable advantage to the people. The capital of the country has been largely, and in good faith, invested in them, and thousands of stockholders depend upon the dividends upon their bank stock for support. It is an interest which has stood by the government in its struggles with a gigantic rebellion; and now, when it is indispensable that the government should control the issues of paper money, there has been created a national banking system, not to destroy the State banks but to absorb them, and that, too, without prejudice to their stockholders.

Governments should not be bankers. None has existed which could be safely trusted with the privilege of permanently issuing its own notes as money. Circulating notes have been issued under peculiar circumstances by other governments, as it is now being done by that of the United States, but the judgment of the world is against it as a permanent policy, and nothing but an overpowering public exigency will at any time justify it. Under popular institutions like ours no more dangerous, no more corrupting power could be lodged in the hands of the party in possession of the government; none more perilous to official probity, and free elections. Give to a party dominant in the legislative and executive branches of the government the authority of issuing paper money for the purpose of furnishing the country with its currency, subject as it would be to no restraint but its own pleasure, and what guaranty would there be that this authority would be honestly and judiciously used? If there were no risk in the preparation of the notes, and checks were provided to make fraudulent issues an impossibility, the power of issuing government promises as a circulating medium is too dangerous a one to be conferred upon any party, except under extraordinary circumstances.

The present issue of United States notes as lawful money, and the decisions of the courts sustaining the constitutionality of the issue, have been justified by the consideration that under a great public necessity, when the nation's life is in peril, policies must be framed and laws must be interpreted with a view to the preservation of the government. This is the paramount consideration to which all others must bend. Whatever opinions may have been, in times past, entertained in regard to the propriety of the issue of United States notes, and the expediency as well as the constitutionality of the law making them a legal tender, there are now, I apprehend, very few intelligent persons who are not persuaded that without these notes, and the character of lawful money given to them by Congress and confirmed by the courts, the credit of the nation would have given way at the very outbreak of the rebellion. When the war has been concluded, and the exigency which made the issue of government notes a necessity has ceased to exist, there will be very few to advocate the continued use of them on the ground of economy.

If, however, there were no objections of the kind alluded to, there are other objections to the permanent issue of circulating notes by the government, which must be apparent to all who have considered the object and uses of a paper currency.

Paper money has been found to be useful, or rather an absolute necessity in all commercial countries for the convenient transaction of business, and as a circulating representative of values too large to be represented by coin. Although the fruitful cause of great evils, by reason of its unregulated use, and of its uncertain and frequently deceptive character, the general utility of it can hardly be questioned. Now, what is needed in a paper circulating medium, is, that it should be convertible into coin; that it should be sufficient in amount to answer

the purposes of legitimate business; that it should not, on the one hand, by being overissued, encourage extravagance and speculation and give an artificial and unreliable value to property; nor, on the other hand, by being reduced below the proper standard, interrupt business and unsettle values. It should be supplied to just the extent of the demands of a healthy trade. It should be increased as the regular business of the country may require its increase, and be diminished as the proper demand for it is diminished.

It is not pretended that banks of issue have furnished this kind of circulation. Bank notes, with few exceptions, have been convertible into coin when there was no demand for coin, and inconvertible when there was. They have, too generally, been issued for the exclusive benefit of the bankers, and not for the convenience of the public, and they have encouraged speculation, when their true mission was to facilitate trade. It has been the bane of a bank note circulation, that it has been expanded by the avarice of the bankers, and contracted by the distrust that overissues have created.

Now, this objection to a bank note circulation applies with much greater force to government issues. There is always inducement enough for banks to keep up a full circulation, and against excessive issues there are the restrictions of law and the liability to redeem. Government notes, in the issue thereof, would be regulated only by the necessities of the government or the interests of the party in power. At one time they might be increased altogether beyond the needs of commerce and trade, thereby enhancing prices and inducing speculation; at another, they might be so reduced as to embarrass business and precipitate financial disasters. They would be incomparably worse in this respect than a bank note currency, because the power that should control circulation would be the power that furnishes it. Supplied by an authority not in sympathy with trade, they would not be accommodated to the requirements of trade. They might be the fullest in volume when there was the least demand for a full circulation, and the most contracted when there was a healthy demand for an increase. They would eventually become an undesirable circulation, because there would be no way in which the redemption of them could be enforced: they would be a dangerous circulation, because they would be under the control of political parties; an unreliable circulation, because, having no connexion with trade and commerce, they would not be regulated by their necessities.

There are objections to all kinds of paper money; but, in some form, it is a commercial necessity, and no form has yet been contrived so little objectionable as that which is authorized by the national currency act. Under this act the government performs its proper functions by exercising one of its constitutional powers for the regulation of commerce, by fixing the maximum of bank note circulation, securing its solvency, and giving to it nationality of character and uniformity of value. It takes the promises, which are to go among the people through the national banks, put its seal upon them, and guarantees *their* redemption, as it takes the precious ore from the mines—the property of individuals—coins it into money of the United States and fixes the value thereof. It thus performs the proper offices of government. In doing so it interferes with no State rights, meddles with no man's lawful pursuits. It stands between the bankers and the people, and while it protects the latter from imposition in the use of a bank note currency, it trespasses upon no privileges of the former. Without becoming a banker, and without, as in the case of the charter of the United States Bank, conferring peculiar if not dangerous privileges upon a single corporation, it provides a national circulation, indispensable for its own use and safety in the collection of its internal revenues, and suited to the circumstances of the country.

But while the national currency act is restrictive in its general provisions, and is expected, when generally adopted to prevent expansions, there is still danger that too much capital will be invested under it during the suspension of

specie payments, and in the existing unsettled condition of our political and financial affairs. When money is plenty, and fortunes are being rapidly acquired, the country is always in a feverish and unhealthy state. This is especially true at the present time. The enormous expenditures of the government, and the great advances in prices since the commencement of the war, have made many persons suddenly rich, and ,upon fortunes suddenly acquired, have followed reckless expenditures, extravagance, waste. Speculation is taking the place of sober and persevering industry, and thousands are deluded with the notion that the wealth of the nation is being increased by the increase of its indebtedness. The inauguration of a new system of banking, under such circumstances, is peculiarly hazardous, and I have been, from the time of my appointment, more apprehensive that too many banks would be organized, than that the system would not be sufficiently attractive to induce capitalists to become connected with it. The government is the great borrower. Its obligations compose a large portion of the discount line of the banks, which are making large profits on government securities at little apparent risk, and the danger is, that the national banking system, with all its restrictions, may, during the suspension of specie payments, and the continuance of the war, add to the plethora of paper money; and that, when the war is over, the banks, deprived of the existing means of investment in government obligations, and finding no legitimate use for their capitals, may be tempted to use them in encouraging operations that will eventually prove to be as unprofitable to themselves, as they will be injurious to the country. For the double purpose, therefore, of keeping down the national circulation as far as it has seemed possible to do it, consistently with the establishment of the system throughout the country, and preventing an increase of banking capital, that might hereafter be instrumental in keeping up the inflation, and retarding the resumption of specie payments, or prove unprofitable to its owners, I have felt it to be my duty to discourage, in many instances, the organization of new banks, and in more instances to refuse my sanction to the increase of the capital of those already organized. In doing so, I may seem to have exercised a power not warranted by the act; but if not sustained by its letter, I have been by its spirit, and I am willing to let the future decide as to the correctness or incorrectness of my course.

But while I entertain the opinion that the currency of the country is already too much expanded, and that it would be a calamity if the national banking system should be the means of materially increasing it, I must not be understood as sanctioning the notion, so generally prevalent, that the high price of coin is to be altogether or chiefly attributed to it, or that gold and silver are, at the present time, the standard of value in the United States. When gold sold in Wall street, on the 1st of July last, at 185 premium, many of the best stocks, as well as productive real estate, were no higher than they have been upon a coin basis.

By referring to the gold market in New York during the three past years it will be perceived that its value has been regulated by other causes than the inflation of the currency.

In January, 1862, gold in New York was at a premium of 1¼ per cent. It soon fell to 1, from which it rose on the 10th of October to 37, and closed on the 31st of December at 34. On the 24th of February, 1863, it had advanced to 72½, but on the 26th of March (favorable news having been received from the southwest) it went down to 40½, but in twelve days, on the receipt of less favorable intelligence from that quarter, it went up to 59½. A few days after, upon the report of the iron-clad attack upon Fort Sumter, it fell to 46, and on receipt of the intelligence of the surrender of Port Hudson to 23½. On the 15th of October it rose to 54, but reached no higher point during that year.

On the 1st of January, 1864, it opened at 52, went up to 88 on the 14th of April, and fell to 67 on the 19th of the same month. On the passage of the

gold bill, June 22, it rose to 130, and fell the next day to 115. On the 1st of July it was forced up to 185, but on the day following (the gold bill having been repealed) it fell to 130. On the 11th of the same month it went up again to 184; on the 15th it fell to 144, and after various fluctuations dropped on the 26th of September to 87—thus rising between the 1st of January and the 1st of July, 1864, from 52 to 185, and falling between the 1st of July and the 26th of September from 185 to 87. None of these fluctuations were brought about by an increase or decrease of the currency; on the contrary, gold rose the most rapidly when there was no considerable increase of the currency, and fell in the face of large additions to it. Nothing can be more conclusive of the incorrectness of the opinion that gold is always the standard of value, and that the high price it has commanded in the United States during the progress of the war is the result of an inflated currency, than this brief statement of its variations in the New York stock market.

Hostility to the government has been as decidedly manifested in the effort that has been made in the commercial metropolis of the nation to depreciate the currency as it has been by the enemy in the field; and unfortunately the effort of sympathizers with the rebellion, and of the agents of the rebellious States, to prostrate the national credit has been strengthened and sustained by thousands in the loyal States, whose political fidelity it might be ungenerous to question. Immense interests have been at work all over the country, and concentrated in New York, to raise the price of coin, and splendid fortunes have been apparently made by their success. The loyal importer and manufacturer of the east and the produce and provision merchant of the west have locked hands with the enemies of the republic in a common effort, although for a different object, and sometimes have produced results which have created serious apprehensions that the Union might be lost for want of means to prosecute the war, or rather on account of the excessive and unnecessary costliness of the war. The government in its struggles with a gigantic rebellion has not only been contending with armed rebels in the field, but with unarmed rebels in the loyal States, backed by an immense interest in the hands of loyal citizens.

Gold has been a favorite article to gamble in. It has been forced up and down by those tricks and devices that are so well understood at the stock board. The reverses of our arms have been used by the operators for an "advance" to send it up, and our military successes have been turned to the advantage of those who were interested in a "decline." When the banks and the government suspended specie payments, and a new standard of value was created in the legal tenders, gold and silver, whose legal value had been fixed by the same authority, became an article of traffic, subject to the influences that have control of the market, and yet unfortunately everything necessary for use or consumption was made to follow their upward tendency, as if they were still the proper and only regulator of prices.

The effect of all this has been, not to break down the credit of the government, but to increase enormously the cost of the war and the expense of living; for however small may have been the connexion between the price of coin and our domestic products, every rise of gold, no matter by what means effected, has been used as a pretext by holders and speculators for an advance of prices, to the great injury of the government and the sorrow of a large portion of the people. It is unquestionably true that the abundance of money has facilitated the operations against the credit of the government, and that a more stringent market would have tended to check and restrain them, but it is a mistaken notion that the high price of coin is an evidence of an overissue of currency or of its depreciation. If it were generally believed that the war would be ended by the 1st of January, gold would fall before that time to 25 per cent. premium, if not lower, although the paper money in circulation might in the mean time be largely increased.

The expenditures of the government have created a great expansion of currency and of prices. There would have undoubtedly been an expansion, in a less degree it is true, but still an expansion, if the war had been carried on upon a specie basis. Prices of all the necessaries of life as well as luxuries, and of everything which the government must purchase in the prosecution of the war, are enormously high, and the penalty is yet to be paid, for the inflation, in increased taxation, and the ruin which must overwhelm the thousands who believe, and act upon the belief, that the apparent prosperity of the country is real, and is not to be interrupted. Fortunate will the country be if the war can be closed and prices reduced to former standards without a collapse, which will as greatly excel in the extent of its disaster that which occurred at the close of the last war with England as the present war excels that in costliness and magnitude.

As long as there was any uncertainty in regard to the success of the national banking system, or the popular verdict upon its merits and security, I did not feel at liberty to recommend discriminating legislation against the State banks. It is for Congress to determine if there is any longer a reasonable uncertainty on these points, and if the time has not arrived when all these institutions should be compelled to retire their circulation. It is indispensable for the financial success of the treasury that the currency of the country should be under the control of the government. This cannot be the case as long as State institutions have the right to flood the country with their issues. As a system has been devised under which State banks, or at least as many of them as are needed, can be reorganized, so that the government can assume a rightful control over bank note circulation, it could hardly be considered oppressive if Congress should prohibit the further issue of bank notes not authorized by itself, and compel, by taxtion, (which should be sufficient to effect the object without being oppressive,) the withdrawal of those which have been already issued. My own opinion is, that this should be done, and that the sooner it is done the better it will be for the banks themselves and for the public. As long as the two systems are contending for the field, (although the result of the contest can be no longer doubtful,) the government cannot restrain the issue of paper money; and as the preference which is everywhere given to a national currency over the notes of the State banks indicates what is the popular judgment in regard to the merits of the two systems, there seems to be no good reason why Congress should hesitate to relieve the treasury of a serious embarrassment, and the people of an unsatisfactory circulation.

Some important amendments are required to the act in order that it should be fully accommodated to the wants and business of the country.

The provisions in regard to the lawful money reserve and the distribution of the assests of insolvent banks require modification.

I am still of the opinion that the rates of interest to be charged by the national banks should be fixed by Congress, and not by the States.

There are too many points at which the banks may redeem their notes. All, with the exception of those in Philadelphia and Boston, should redeem in New York. The banks ought to be compelled by law to retain a part, if not all the coin received by them, for interest on their gold-bearing bonds, in order that they may be prepared to lend their influence in favor of a return to specie payments, and some provisions should be introduced by which, when specie payments are resumed, excessive importation of goods may be checked and dangerous exportations of coin may be prevented.

It is of the greatest importance that the national currency system should be independent of politics and freed from political influences. To effect this, and to facilitate the business of the banks with the Comptroller, I am clearly of the opinion that the bureau should be made an independent department, and removed from Washington to Philadelphia or New York.

I do not, however, recommend that any amendments be made by the present Congress. The act will do well enough as it is for another year. When the next Congress assembles, the defects in it will be better understood, by the practical working of the system, than they can be at the present time. The act can then be taken up, and, with the light which the experience of another year has thrown upon it, judiciously amended.

In reporting the names and compensations of the clerks employed in this bureau, I should neglect a duty to them and to the system if I did not respectfully suggest that a general increase of their salaries should be made, and that the increase of the salaries of those who occupy positions of high trust and responsibility should be liberal. This bureau is already an important one, and is not unlikely to be one of the most important in the department. There is not a desk in it which should not be filled by a man of intelligence, character, and good business qualifications. Without such men the affairs of the bureau cannot be safely or properly administered, and expensive as living now is in Washington, it is questionable if the services required can be secured without an increase of salaries. If there were no doubt, however, on this point, it is not right that honorable and competent men should be faithfully serving the government for such compensations as leave them, with rigid economy, in no better circumstances at the close of a year than they were at its commencement. There are undoubtedly, in the different departments at Washington, a great many drones and incompetent clerks who do not earn the salaries that are paid them, whose "attendance" should be dispensed with; but my observation, since I have been in Washington, has satisfied me that there are in all the departments a body of clerks who, for intelligence, ability, and hearty devotion to their duties have no superiors anywhere.

To them is the country indebted for the accuracy with which an immense business—a business which has increased ten-fold since the commencement of the war—is transacted. The expenses of the departments would be largely reduced if only such were employed, and they were paid respectable salaries. Cheap clerks are a costly article to the government—it is a poor economy that drives away or starves competent ones.

The Deputy Comptroller of this bureau holds an important and responsible position. In the absence of the Comptroller he possesses the power and performs the duties attached to the office of the Comptroller. The gentleman who has charge of the vaults and the currency holds also a place of great responsibility; and two or three other clerks are performing duties requiring rare qualifications. I am under great obligations to them, and so is the country, for the prompt and able manner in which they are doing their work, and the valuable services they have rendered in the organization of the bureau and systematizing its business. Important duties are devolved upon them, while they receive but a small portion of the credit which the proper performance of their duties secures to the bureau. In my judgment, the salaries they are receiving are wholly inadequate to the services they are rendering.

I respectfully recommend, therefore, in addition to a general increase of the salaries of the clerks, that the Deputy Comptroller be paid a salary of thirty-five hundred dollars per annum, and that the comptroller be authorized, with the approval of the Secretary of the Treasury, to employ three other clerks as heads of divisions, at salaries not exceeding twenty-five hundred dollars, respectively.

All which is respectfully submitted.

HUGH McCULLOCH, *Comptroller.*

Hon. W. P. FESSENDEN,
Secretary of the Treasury.

REPORT OF THE COMMISSIONER OF INTERNAL REVENUE.

TREASURY DEPARTMENT,
Office of Internal Revenue, December 1, 1864.

SIR: In obedience to the provisions of the thirty-fourth section of the act of July 1, 1862, entitled "An act to provide internal revenue to support the government and pay interest on the public debt," which have been re-enacted by an act bearing the same title approved on the 30th day of June last, accounts have been kept in this office of all moneys received from internal duties in each of the respective States, Territories, and collection districts, exhibiting the amount collected from each source of revenue, and the sums expended as compensation and for allowances to the several officers of internal revenue employed in the collection and assessment districts. Tabular abstracts of these accounts have been prepared and are herewith submitted. They are somewhat more minute and specific than seem to be required by the act of Congress, but not more so, I apprehend, than is necessary to present, in convenient form for practical use, the information desired. They show—

First. Collections from each specific source of revenue—except stamps, salaries, and passports—in each collection district, State, and Territory, for the fiscal year ending June 30, 1864.

Secondly. Statements of sales and deliveries of stamps, exhibiting the number delivered monthly of each denomination, and the number and aggregate value of each kind delivered during the fiscal year ending June 30, 1864.

Thirdly. Receipts from salary tax for the fiscal year ending June 30, 1864.

Fourthly. Recapitulation for the fiscal year ending June 30, 1864, including receipts from passports through the Department of State.

Fifthly. Comparative table, showing the territorial distribution of internal revenue, population, and wealth in the United States.

Sixthly. Expenses attending the assessment and collection of the internal revenue during the fiscal year.

It will be seen that the amount of revenue produced by the act of July 1, 1862, and its supplements, considerably exceeded the estimates. Although the act of March 7, 1864, by which the tax on spirits was increased from twenty to sixty cents per gallon, added several millions to the revenue, the law as it stood, without that amendment, would have produced at least a hundred millions—twenty-two millions beyond the estimate of the Secretary of the Treasury, and fifteen beyond the minimum stated in my report. Even that result did not fairly represent the power of the laws then existing to produce revenue. A system of national taxation, so complicated in its details, and so unwieldy in its proportions, could not be made immediately operative, in all its provisions, throughout a continent. To apply it to all the interests it was intended to affect, and to familiarize the people with their duties and responsibilities under it, and the officers of the revenue with the modes of administration, were necessarily the work of time, and of more time than had, at the date of my last report, been afforded it.

The efforts of this office, earnestly directed to these ends, produced their proper results. The officers became more expert, the taxes were more strictly assessed, and the flow of revenue steadily increased. The average monthly product for the first six months was $4,522,332 90. Up to the 1st of May, 1863, no separate monthly account of the receipts was kept, and no accurate statement can be made of them.

In May, 1863, the receipts were	$4,963,895 02
In June, 1863, the receipts were	4,488,411 49
In July, 1863, the receipts were	5,298,967 18
In August, 1863, the receipts were	5,604,201 35
In September, 1863, the receipts were	6,136,205 43
In October, 1863, the receipts were	9,511,768 64
In November, 1863, the receipts were	7,953,933 08
In December, 1863, the receipts were	9,034,501 01
In January, 1864, the receipts were	9.177,765 25
In February, 1864, the receipts were	9,355,094 63
In March, 1864, the receipts were	8,149,953 14
In April, 1864, the receipts were	10,945,111 95
In May, 1864, the receipts were	12,098,402 16
In June, 1864, the receipts were	14,994,366 77

This rapid increase, though in part owing to the improved acquaintance which the revenue officers acquired by experience in their duties, and to their familiarity with the routine of administration by constant exercise of their official functions, is, in part, due to other causes. The general anticipation of the imposition of additional duties induced speculation, and imparted, for a time, a strong stimulus to the manufacture of several articles, especially spirits and tobacco, and materially affected the revenue during the months of May, June and July. We may properly attribute to such causes an additional yield of three and one-half to four millions during the last of those months, but I think not more, and I am well satisfied that, without any increase of duties, the law, as it stood on the twenty-ninth day of June last, would have yielded for the current fiscal year full one hundred and twenty-five millions of dollars, if it would not, as I incline to think it might, under certain favorable conditions of trade and business, have realized the estimate of my predecessor in office. If experience has not justified his expectations, it is because the allowance which he made for losses through the inexperience of the government officers, and fraudulent evasions on the part of disloyal tax-payers, are less than the event has proved necessary, though large enough to satisfy the doubts, *à priori*, of the most cautious calculator.

The act approved on the 30th day of June last has not thus far proved more productive than the laws which it repealed and supplied. This is owing to several causes. In some kinds of production the stock accumulated was large and considerably beyond the immediate demand. In the instance of cotton goods, the price of the raw material has advanced since July, while the market value of manufactured articles for a time suffered a marked decline, from which it has not wholly recovered. The increase of taxes has also had the usual effect of such a measure, to check production, at least temporarily, and to abate the activity of inland trade till business should become accommodated to the new circumstances. It has thus happened that the revenue collected in August was but $15,712,066 84, against $14,994,366 77 collected in June and $16,570,548 39 in July; that in September only $15,819,770 72* were re-

* The sum which was covered into the treasury during the first three months of the current fiscal year was $46,562,869 92. The amount actually received during those months into the treasury as the proper internal revenue of the quarter, beyond all payments to collectors of salaries and commissions, and to assessors and assistant assessors for salaries and expenses, was $48,265,850 16. The difference is merely nominal, and is of account only. It arises from the fact that notice of the payments to the national depositaries is not in all cases given by them promptly to the Treasurer, and his books do not show the payments till the notice is received. Our books show the payments when the certificates of deposit reach the hands of the cashier.

ceived, and in October $13,625,350 04. These sums, however, do not represent the average receipts which may be reasonably expected for the remaining eight months of the fiscal year. For example, the excise on distilled spirits, which is reasonably expected to prove very productive, has yielded scarcely anything during these months. The number of gallons distilled in June last, according to the returns of the collectors, was 10,468,976; in July, only 697,099. But now the stock of spirits on hand in July has been largely reduced, and an additional supply will soon be needed to meet the demand. The same may be said of tobacco. The manufacture of both of these articles must soon be actively renewed. The temporary check on other productions must cease to operate, and the growing demand for consumption must be supplied by a more spirited movement on the part of the producers. The revenue will increase as business improves. What the present law will yield within the current fiscal year it is difficult to estimate. Much depends upon conditions which are subject to contingencies. Whether our cereals shall be used in large or in moderate measure for distillation will be determined by the amount of the English and other European crops, and the consequent state of the grain market abroad. The supply of cotton will affect the manufacture of cotton cloths, and that of wool the manufacture of woollen cloths, and of course, proportionably, the revenue derived from such manufactures.

The experiences of the past two years will, however, furnish us with data for an estimate which, if not to be relied upon for entire accuracy, will approximate nearly enough to actual results for all practical purposes.

Among the sources of revenue supposed to be most prolific is the five per cent. income tax levied under the provisions of the joint resolution of the 4th day July last. Of that no part has yet been paid. I consider that the income tax collected during the last fiscal year, although part of it was of the assessment of the previous year, represents pretty fairly what a levy of three per cent. under the provisions of the late law should yield. The amount of that tax collected was $23,666,033 98. Of this there was collected as tax on incomes less than $10,000 the sum of $7,944,153 51. Add to this two-thirds of the same sum, and we have as a total $13,240,255 85, which, with the addition of the amount collected of incomes exceeding $10,000, viz: $6,855,160 37; that of citizens resident abroad, $58,674 51; that to be obtained from the tax on United States securities, $9,344,668 82; from dividends and interest on bonds, $7,244,729 37; with the tax on salaries, $2,848,541 05, make a total of $34,986,035 21. This estimate will not be maintained as to the items of tax on dividends and salaries, because many persons will escape assessment who could not escape payment through banks, railroad corporations, and paymasters. But the duties on incomes will, in general, be assessed more exactly and collected more closely than heretofore. The assessors are armed with powers for investigation and discovery which have not heretofore been conferred, and they have become more thoroughly acquainted with their obligations under the law than at any prior period. This view is confirmed by an examination of the sssessment returns from several collection districts, showing a large advance upon the income tax of last year I am thus led to believe that the product of the five per cent. levy under this joint resolution will not be less than thirty-five millions of dollars.

Some expectation has been entertained that Congress might during the ensuing session reduce the tax on spirits. This, together with an apprehension that the stock on hand may be subjected to duty, is now exercising an unfavorable influence on production. Consumption, however, proceeds at its accustomed rate. In the city of New York alone, according to the statements of large dealers, six hundred barrels are consumed daily, Sundays not excepted. These statements may exaggerate the truth. However that may be, it is certain that a further supply will soon be needed to meet the demand, and the irrevocable laws of trade will compel the resumption of distillation. If those engaged in the man-

ufacture and sale of spirits were satisfied of the permanency of the law imposing the taxes, and that the market would not be unsettled by the agitation of the subject in Congress, the business would soon find its proper channels and become accommodated to the burdens cast upon it. It is important alike to the interests of the government and of the people that frequent changes in legislation, affecting the prices of articles that enter largely into consumption, should, if possible, be avoided. This observation, which applies indeed with less force to dispensable luxuries than to absolute necessaries, is certainly true as to a commodity, the use of which, as a beverage, in some form or another, has become well nigh universal. A large amount of capital is invested in its production and in the trade, domestic and foreign, of which it is the subject, and the regular and steady employment of that capital accrues to the benefit of the country, while an unsettled and variable excise invites to speculation and creates irregular movements in business, demoralizing to the community of traders and injurious to the general weal. It is to be regretted, indeed, that the whole increase of duty was not imposed at once, instead of being made to take effect at different periods, for the inducement to accumulate stock to await the operation of the additional tax to be collected after the first of February still continues; and if the prospect of a market shall warrant an early resumption of distillation, the business will be stimulated into activity for a short period, accompanied by a full flow of revenue, to be followed by a corresponding period of languor and depression, and a revenue proportionably diminished. This inevitable effect of irregular taxation might be avoided by imposing the two-dollar tax at once, instead of allowing it to stand postponed for sixty days longer. But on the whole I submit, it would be as well that it be understood by the country that the expression of the will of Congress on the subject in the last act be accepted as final, and that no suggestion be made inviting further legislation affecting the rate of this particular tax. How far the production of spirits may be influenced by the increase of duty cannot be positively affirmed. We have yet no experience, which enables us to form a satisfactory opinion. The annual yield of our distilleries has been about one hundred millions of gallons, of which full ninety-four millions are consumed at home. Though substitutes may be found for the commodity in some of its uses, experience in other countries has proved that the rate of duty, unless far beyond the highest prescribed by our law, does not seriously affect consumption. There is no article made that constitutes a fairer subject of excise, and there is none that will produce so much revenue with so little suffering to the tax-payer. If the law shall remain untouched as to the rate of tax, we may reasonably expect to realize, within the remaining seven months of the current fiscal year, not less than forty millions of dollars from spirits, and in the course of the next year that sum will probably be doubled. However extravagant this estimate may now appear, I have no doubt that it will be sustained by the result. All that appears to be needed to render it almost certain is a few additional means for securing the collection of the tax on the whole product of the distilleries, and thus protecting the revenue against illicit distillation to which high duties afford so strong a temptation. I am happy in being able to say that I believe such means may now, with the consent of Congress, be placed within reach of the government by the adoption of a newly invented meter, so ingeniously contrived as to indicate to a revenue officer the quantity and proof of the liquid that passes over the still, beyond the power of the distiller to control or vary the certain result.

The amount of tax collected during the month of October was, as I have already stated, only $13,625,350 04. The falling off of the revenue in that month is to be attributed to a previous depression of several important branches of business, and to the almost total suspension of the distillation of spirits since July. The receipts are below the monthly average, independently of the tax on spirits. Under usual conditions, that average ought to be not less than $15 000,000.

The sum realized during the past four months of the current fiscal year,

without the tax on circulation and deposits paid by the national banks, is $61,727,738 99, and from all sources $61,892,200 20. Our receipts in November, influenced by the same causes as those in October, are, like them, still below the average. They amount to $13,146,688 97. The sum of $75,038,889 17 may be considered as the product of the new law operating under the disadvantage of greatly diminished production, arising from a large accumulation of commodities manufactured in advance of the increased duties. The next seven months cannot well fail to yield in the aggregate, exclusive of the tax on spirits and the five per cent. assessed on the incomes of 1863, $115,000,000. The income tax, as already shown, will yield $35,000,000, and spirits $40,000,000. According to this estimate, our revenue from excise will be about $265,000,000 for the year ending on the 30th day of June next, without a change in the rate of duties prescribed by the existing law. This result may be somewhat improved by judicious alterations in some of the administrative provisions of the late act, by which the modes of proceeding may be made more simple, uniform and consistent, unnecessary hindrances to trade removed, annoyances to honest tax-payers obviated, and the loop-holes by which subjects of tax escape the grasp of the revenue officers effectually closed. By the aid of such alterations, without any material increase of duties, the capacity of the present system to produce revenue, under a firm, vigilant, and vigorous administration of it, will, I am satisfied, unless untoward events shall intervene, be equal to all that its framers expected of it. For the year ending on the 30th of June, 1866, it will yield full $300,000,000. The product for the present year, as I have already shown, will fall $35,000,000 short of that sum. For the balance of the $300,000,000 demanded by your arrangements, resort must be had to additional taxes by way of excise, or to other expedients. The deficiency, whatever it be, may as a temporary expedient be supplied by a tax on sales. This tax, indeed, could not be properly added as a permanent supplement to our present scheme of taxation. If adopted as a fixed policy, justice would seem to require some changes in the present excise to harmonize it with this addition and equalize the burdens. Yet, for supplying immediate and pressing wants, it has advantages over any other plan hitherto proposed. I can find none which promises such a large yield of revenue, with so little disturbance to trade, and so slight a pressure upon the tax-payer. "Every tax," says Adam Smith, "ought to be levied at the time and in the manner in which it is most likely to be convenient for the contributor to pay it." When it is made payable out of money received and at the time of receiving it, the burden is most easily and most willingly borne. The seller adds the tax to the price, and thus anticipates the claim of the government; and the purchaser, when he buys to sell, is reimbursed by the consumer, who assumes the burden as a voluntary act, and proportions the weight to his ability to support it. It is also recommended by the facility with which its basis may be ascertained, and its freedom from the perplexing and complicated inquiries to which income and profits are necessarily subjected. If it was conveniently practicable that the whole burden of the duty should be placed on the last sales, it would be more consistent with policy and principle; as by such means the consumer, who is the final paymaster, would be brought into near connexion with the receiver, and the commodity taxed would be relieved from the weight of the taxes increased by interest for the delay of reimbursement. But such a plan, however desirable theoretically, is not practically possible. There is no means of determining in all cases when the final sale to the consumer takes place.

By an estimate based on the consumption of the country, and made a year ago, it appeared to me that the annual sales of articles in the States and Territories subject to the internal revenue laws might be fairly set down as somewhat exceeding in value ten thousand millions of dollars. The New York Chamber of Commerce, in a memorial to Congress, dated April 24, 1862, esti-

mated the amount of annual sales of goods and merchandise of all kinds in the United States at eleven thousand five hundred millions. I am informed by Dr. William Elder, of the Treasury Department, whom I esteem good authority for any statement relating to national statistics, that the production for the year 1860 amounted to three thousand eight hundred millions of dollars. This was for the whole Union, the calculations being based upon the census returns of that year. The National Almanac for 1864 states that the production of the loyal States in taxable articles in 1863 was three thousand seven hundred millions in the prices of 1860. The transit of agricultural productions from the producer to the consumer is usually much more direct than that of manufactured articles. Large quantities of grain, hay, pork, and beef are consumed without sale, and the surplus may be sold once, twice, or thrice, while textile fabrics are sold five, six, or seven times before being consumed. It has been assumed by competent calculators, that, on a general average, productions of the country are sold four times, and that three-fourths may be supposed to enter the market. By proceeding in this way our result will be that the amount of sales of merchandise and product in a year will be about eleven thousand millions, on which a tax of one-half of one per cent. will produce fifty-five millions of dollars. No addition has been made in consequence of the progressive increase in production, which has been steady and constant notwithstanding the war, and which, there is every reason to believe, will continue in an accelerating ratio, unless checked by financial difficulties. The tendency of the tax will be to diminish the number of sales, and this may be set off against the opposite tendency, arising from increasing production.

A tax on sales made by wholesale and retail dealers, by wholesale dealers in liquor, and by commercial brokers, is already levied by the present excise law. If all sales of merchandise shall be made taxable, the sums being paid by those classes of traders in the shape of license fees should be credited to them, that a double tax may not be imposed. A tax of one-half of one per cent. on the sales of merchandise, produce, and other articles of traffic, except real estate, stocks, securities for money, coin, and bullion, already provided for, to go into operation in time to embrace the transactions of January next, and to continue for one year, will supply, within the current fiscal year, the greater part of what will be needed to make up the total yield of excise to the three hundred millions required, and within the calendar year will, under conditions of trade and business ordinarily favorable, produce the whole balance and a surplus sufficient to secure the treasury against the recurrence, at the end of the fiscal year of 1865–'66, of a deficit similar to that for which it is necessary now to provide. Within the next six months the disturbing influences of the recent sudden and violent changes of rates in the excise will cease to be felt, and, if further changes be avoided, the current of revenue will have risen to its proper volume. No further need of expedients to bring up the total of the excise duties to three hundred millions of dollars is apprehended. I am clearly of the opinion that the tax on sales here suggested is greatly preferable to a supplementary duty on incomes. It is also preferable to a direct tax, which, being payable out of capital and not out of profits, is justly regarded as objectionable, and to be avoided if consistent with the stability of the public credit.

It is evidently advisable that whatever changes may be made in the present excise laws, they shall leave the frame-work of the system untouched, and shall be restricted to the object mainly of simplifying the mode of administration. Yet there are some provisions relating to the rates of taxation that require change. This is especially true of the rule prescribed for assessing the duty on cigars. By the late act of Congress the valuation of cigars, as subjects of tax, shall in all cases be the value of the cigars, exclusive of the tax. The tax on cigars valued over $5 per thousand, and not over $15 per thousand, is $8 per thousand; on cigars valued over $15 per thousand, and not over $30 per thou-

sand, $15 per thousand; on cigars valued over $30 per thousand, and not over $45 per thousand, $25 per thousand; on cigars over $45 per thousand, $40 per thousand. It requires but little consideration to understand that, under those provisions, no schedule of values derived from actual sales can be devised which, in a majority of cases, will satisfy the requirements of the law. This must necessarily be so, since determinate values cannot be found for two unknown quantities in a single equation.

Take the case, for illustration, of a thousand cigars selling for twelve dollars, The sale ascertains the value, and the question is, What is the tax? It must be either three dollars or eight. If it is three dollars, then the cigars, exclusive of the tax, are worth nine dollars. But cigars valued over five dollars per thousand, exclusive of the tax, must pay eight dollars. Then put on the tax of eight dollars, and the value of the cigars we find to be four dollars, and it will not, therefore, bear the eight dollars tax. Neither tax is appropriate to the value—one is too little and the other is too great. The same difficulty obtains in relation to cigars selling at any price between eight and thirteen dollars, between twenty-two and thirty dollars, and between seventy and eighty-five dollars. The law furnishes no rule by which they shall be assessed, yet the assistant assessor must assess them. In doubtful cases, officers of the revenue must adopt that interpretation which imposes the lowest duty. A schedule of rates was therefore prepared, which, if it did not exact of the tax-payer all that the framers of the act contemplated, reconciled contradictions, furnished a safe, practical rule, and as nearly as possible carried out the purposes of the act. All other taxes than those on cigars being levied by the express provisions of the act on the value, as indicated by the sales, no reason is conceived why a rule so convenient, and of such easy application, should be abandoned in relation to this commodity.

Another result of this mode of taxation is, that it is more profitable for a manufacturer to sell his cigars at eleven dollars per thousand than at fifteen, at twenty-five dollars than at thirty-one, at sixty-nine than at eighty-five, and at eighty-four than at ninety-eight dollars. The sale's value is the basis of the specific tax, and the return of the maker is practically the assessor's evidence of value. The temptation to understate returns is evidently great; much greater than it would be if the amount of the tax followed all the gradations of value. A change in this part of the law seems to be imperatively demanded, and I suggest that if the tax on tobacco is to be laid, as heretofore, on the manufactured article, and not upon the leaf, it will be eligible to adopt an ad valorem scale. But it appears to me a question well worthy consideration, whether it be not advisable to tax the whole tobacco product in the leaf. By the adoption of such a measure, frauds can be more readily guarded against than now, and the annoyances to which the manufacturer is necessarily subjected, by any efficient scheme of assessment and collection, will be obviated.

Apprehensions of difficulty in assessing tax on the leaf have been entertained, but I think, without cause. Tobacco fields, even if the growers were disposed to concealment, could not readily escape the vigilance of assistant assessors, and assessments could be made of the product as it passed from their hands with much more facility and thoroughness than at any time afterwards. In England, according to the report of the commissioners of inland revenue, the duty on hops, which was made payable by the hop-grower, was, of all others, "the most easily collected, and in which frauds and evasions were the most rare." Our experience here as to tobacco would, I am persuaded, be similar to that of England in the article of hops, if the tax was laid on the grower; and much of the demoralization created by fraudulent contrivances to escape the tax, and of the expenditure necessarily incurred in efforts to detect and punish the perpetrators, would be avoided. A light duty on the leaf, accompanied by an ad valorem duty reduced below the present rates, would answer a good pur-

pose, and by lessening the temptation to evasion would facilitate collections. Either measure would be an improvement upon the present law. I may add that there is a general concurrence of opinion among collectors and assessors in these views. In country districts, where tobacco is grown and manufactured into cigars by men of small capital, and the manufactured article sold in parcels of a few hundred, or less, the provision for stamping cigars is not productive of sufficient advantage to compensate for the trouble it gives to assistant assessors, and the additional expense it occasions to the government. A retail dealer must, of course, destroy the stamp when he breaks the packages, and, in his hands, the want of a stamp is no evidence of fraudulent acquisition.

By the excise act of 1862 a duty of three cents and one-half per ton was laid on mineral coals. This was not a large tax, and, of itself, could produce but little effect on the course of trade, but, added to the expense of transportation, and the high price of the commodity in the market, it appears to have encouraged the importation of coal from Nova Scotia, whence, under the provision of the reciprocity treaty, it comes free of duty. In 1860–'61 the amount of coal imported from that province was but 204,420 tons, valued at $702,165, while in 1862–'63 it has risen to 282,767 tons, valued at $757,048, and in 1863–'64 to about 500,000 tons, worth more than $2,500,000. The present tax of five cents will operate somewhat more decidedly in the same direction. If the impost laid on coal by the late act to increase duty on imports was made to apply to coal imported from the British Provinces, as it would on a recision of the treaty, it would secure the market to our own producers, and add to the revenue of the government.

The export of Indian corn to Canada during the last three years, according to the tables of exports of foreign and domestic commerce, communicated by the Secretary of the Treasury to Congress, under the act of March 12, 1864, appears to have been as follows:

In 1860–'61	1,891,740 bushels, valued at	$810,346 00
In 1861–'62	3,218,438 bushels, valued at	1,010,243 00
In 1862–'63	4,211,897 bushels, valued at	1,622,825 00

This large amount, it is certain, was not needed for consumption in Canada, but for manufacture; for that country produces grain abundantly, and during the last year, while we exported the great quantity of corn already stated, we imported thence 806,153 barrels of flour. The corn was, it is presumed, for the most part, converted into spirits. It is difficult to conjecture what else became of it, and the business of distilling is known to be prosecuted there with much activity. The provincial excise duty being lower than ours, and the opportunities for illicit traffic being great, it can hardly be doubted that no inconsiderable portion of the product of Canadian distillation, the material for which was the growth of our own soil, crossed the line without paying duty, and was sold in our markets. Now that the excise on spirits in the United States is ten times greater than that imposed in the adjoining provinces, the stimulus to this manufacture, beyond the border, and to contraband importation, will operate with increased power. The information we receive from private sources gives point to this suggestion.

Under the reciprocity treaty the export of leaf tobacco to Canada has largely increased, while that of manufactured tobacco has proportionately declined.

In 1855 we exported thither leaf worth	$69,779 00
In 1860 we exported thither leaf worth	124,115 00
In 1863 we exported thither leaf worth	1,237,840 00
Of manufactured tobacco we exported to Canada in 1859-'60, in value	1,205,684 00
In 1860–'61, in value	683,875 00
In 1862–'63, in value	76,026 00

It is apparent that, although before the treaty we manufactured largely of this staple for the people of Canada, they now manufacture it for themselves. It is scarcely doubtful that considerable quantities of manufactured tobacco, as of distilled spirits, find their way across the border. The facilities for transportation across a long and imperfectly guarded frontier are so great, and the temptation afforded by our high excise is so strong, that we may reasonably suspect a profitable trade to be driven, in fraud of the revenue Sir Martin Peto, writing on the tobacco tax, says: "The smuggling of tobacco not only appears, in fact, to form a distinct kind of trade, but to be an occasional occupation of the great bulk of the sea-faring population of our seaports." This evidence of British experience is admonitory, and suggests precautionary means. Were the excise on distilled spirits, manufactured tobacco, and cigars as severe beyond as on this side of the Canadian line, there would be no temptation to smuggle these articles. The recision of the reciprocity treaty would probably be quickly followed by an import duty on the tobacco that now enters Canada free. The effect would be to check the illicit border traffic, by which some hundreds of thousands of dollars are, doubtless, now lost to the revenue, and this government would be at liberty to place a proper impost duty on the coal from Nova Scotia, which, at present, pays us no duty, and competes to advantage with the productions of our mines which do.

By the late act, assayers of gold and silver are obliged to pay a license fee, varying from one hundred to five hundred dollars, according to the value of metals assayed; and a duty of one-half of one per centum ad valorem is laid on the product of the assay. It is worthy of consideration whether some change may not be made in the law relating to this subject, to the advantage equally of the producers of gold and silver, and of the government. Among the several suggestions that have been presented, none occur to me as more eligible than those which propose that the business of assaying shall be done at offices established by the government, wherever needed, and by officers appointed for the purpose. To this end the license fee may be raised to such a sum as to be virtually prohibitory to all assaying on private account. The offices ought to be sufficiently numerous, and so located as to accommodate conveniently the mining population. Perhaps the government might purchase the bullion at a discount only sufficient to constitute a reasonable tax. On receiving it the assay officer might be authorized to issue certificates representing its value, less the cost of assay, the expense of the transportation, and the tax, and payable in coin at the mint in San Francisco or Philadelphia. The owner of the metal would be furnished with a representative, at once, of the value of his deposit, capable of being converted into coin at the option of the holder, and the convenience of having its value in a form in which it would be capable of transportation with little risk or cost, and of being easily negotiated, would be an inducement to him to make the government his depository. Miners, who now frequently dispose of their crude gains at a large discount, might thus be afforded an opportunity of converting their unassayed product into negotiable securities, and the government would also profit by the arrangement. Perhaps, too, such an arrangement might exert a wholesome influence in tending to check the exportation of unassayed gold bullion, of which some $40,000,000 in value have gone to England within a year.

I had the honor, last year, to suggest a duty on petroleum. A duty of twenty cents per gallon is now imposed on the refined product. Representations have been made, which I deem worthy of consideration, that it would be eligible to tax the oil in its crude state as well as when refined; and I have no doubt the revenue would be benefited by the measure, even if attended with a reduction of the present duty. I am persuaded that petroleum will bear a tax of two, or even three cents per gallon, without benefit of drawback, and no sensible injury accrue to our export trade, and that the tax on the refined being

reduced to fourteen or fifteen cents, the yield of the crude and refined together would considerably exceed the sum now realized from the refined alone. The revenue would gain by the increased home consumption of the refined article, as well as by the duty on the crude, and the tendency of the present tax to destroy small distilleries, and to throw the business into the hands of large operators, would be modified

Among the provisions of the late excise act that seem to require some modification, are those which relate to the tax on printed books, magazines, reviews, and similar publications, on which a tax of five per cent. ad valorem is imposed. The tax, according to the 94th section, is "to be paid by the manufacturer or producer," but no rule is given by which the manufacturer or producer is to be determined; and it is often a point of no small difficulty to decide who, of the several persons engaged in the book-making process, is to be held responsible for the product. The variety of contracts and arrangements among the persons engaged in this very important branch of production is so great, and their relations so diversified, that they are themselves not agreed who should make the required returns, and assessors do not decide similar cases alike. Sometimes the printing is done by one party and the binding by another, under a contract with the publisher, who furnishes paper to the printer, and pays the binder for the binding. Sometimes one firm finds the materials and prints the book on contract with the publisher. Again, the publisher furnishes materials to the binder and receives the completed work from his hands for sale. Sometimes a publishing house, having its only place of business in one city, procures its printing and binding to be done in other cities, under various arrangements with the owners of plates and copyrights, and with printers and binders, having different kinds of contracts for every book they publish.

Amidst the perplexities which are occasioned by complications of this kind, and through which assistant assessors are not always able to see their way, it is not a subject of surprise that assessable duties sometimes escape assessment. The law would be simplified by laying the tax on the press-work and binding, with a provision that the printer and binder, when manufacturing on contract for an author or publisher, should take license and make returns as manufacturers, and pay the tax on the amount of their charges for printing and binding, and that they might collect and receive the amount of tax from the author, publisher, proprietor, or other person contracting for the work. Or if the publisher or person for whom the book is produced should be made liable to assessment, the same purpose would be answered, especially if it should be made the province of the assessor or the commissioner on appeal to determine finally the fact of liability.

In order to maintain the revenue derived from manufactures it is necessary that their permanence should be secured, and, wherever endangered, protected. The present tax on iron produced in the United States, in the complete forms of railroad and bar iron, will amount, when the coal consumed is taken into the account, to about seven dollars per ton; while other taxes which indirectly fall upon this production, as on the products of labor, on supplies, and on capital employed, will raise the actual tax to one or two dollars per ton more. During the two fiscal years preceding the last, little railroad iron was imported; but in the year ending in June, 1864, a rapid increase in such importation began, and nearly one hundred and twenty thousand tons, valued at four million eight hundred thousand dollars, were imported. This is equal to about half the entire quantity made in the United States, which is approximately stated at two hundred and eighty thousand tons.

It has now become certain that the whole demand for railroad iron can be supplied by American mills. The amount required for the repairs of existing railroads is about one hundred and fifteen thousand tons, and that for extensions does not usually exceed a hundred and sixty thousand tons more. The

aggregate is far within the limit of the productive capacity of our mills. Such being the case, it is a grave question whether the conditions which invite heavy importations for an article which gives employment so largely to our own skill and capital, do not demand legislative action in support of the interests of the internal revenue system, especially in view of the diminution of the home production which they indicate.

Many collateral sources of revenue are created or augmented by this domestic manufacture, and must rise or decline with it. Altogether, the direct and indirect receipts of the government are not materially less, per ton, from iron made in the United States than those derived from the tariff on iron imported, while there are other and urgent considerations which now induce the government to cherish every branch of domestic industry, and sustain it against foreign competition. In 1861 the duty on imported rails was twelve dollars per gross ton. In 1863 it was increased to thirteen dollars and fifty cents per ton, coincident with an imposition of an excise duty of one dollar and fifty cents per ton on domestic rails. In 1864 the customs duty was reduced to thirteen dollars and forty-four cents per gross ton, while the excise duty was increased, as already stated. The American manufacturer is now suffering from the reduction of the customs duty, and although he is not yet vitally injured, he owes his protection less to the sufficiency of that duty than to the differences between currency and gold and the high rate of exchange.

The best test of the yearly income derived from real estate is its rental value. A rule requiring such income to be assessed on that value would be conveniently practicable, and would obviate the necessity of the vexatious inquisition now required in ascertaining the comparative value of live stock at different periods of the year, the amount of butter, beef, mutton, pork, cheese, wool, hay, grain, and other products sold, or on hand. Estimates of these must needs be very unequal, and returns incomplete, so that the burden of the tax is unequally distributed. I am unable to see why a man who consumes his income should not be taxed for it as well as one who saves it, nor why one who lives in his own house should not be taxed on its rental value, as much as if he let it to another and put the rent in his purse. If it be deemed right to allow an occupant of his own homestead such a portion of its rental value unassessed as would suffice to pay the rent of a moderate dwelling, the excess of the annual value of such homestead above that sum might, with justice, be taxed. An allowance of three hundred, or, perhaps, of four hundred dollars, might not be unreasonable; and, to the same amount, the deduction to be allowed to a lesser or real estate for rent actually paid ought to be fixed, so that owners and renters should enjoy equal privileges under the law.

Efforts have been made to procure such a distribution of stamps as will bring them within the reach of all that may need to use them; and I think that the experience of the office fully warrants the statement, that a judicious enlargement of Schedule B, to embrace instruments of evidence not described in it, would be preferable to any other mode of taxation equally fruitful of revenue. The harmony of the system seems, indeed, to require a readjustment of this schedule by some slight alterations in its requirements as well as in its extension to new objects. A slight inspection discloses the fact that some instruments are made to demand stamps of considerable value, while others of an analogous character are not required to be stamped at all.

The want of a summary and inexpensive process for the recovery of small penalties, and for procuring judgment of forfeiture of small lots of contraband goods seized by collectors, is much complained of. Provisions for such cases can be made by enlarging the powers of the United States commissioners appointed by the circuit courts, so as to confer upon them jurisdiction in all cases relating to the revenue, when the sum in controversy does not exceed three hundred dollars. In contested cases, right of trial by jury may be secured by

providing for an appeal to the United States district court of the district. It is not the policy of the government to multiply suits, but it often happens that offenders deserving punishment escape the visitation of penalties prescribed by the statute, because the course of proceedings is too dilatory to be exemplary, and too expensive to be profitable to the government.

In order to relieve importers of the articles described in Schedule C from the necessity of affixing stamps to the bottles, boxes, or parcels contained in each package in which they were exported before disposing of them by wholesale, it was provided in the 169th section that when any such imported articles shall be sold in the original or unbroken packages in which the bottles or other enclosures were packed by the manufacturer, the person so selling said articles shall not be subject to any penalty for want of the proper stamps. But for this provision every importer would have been obliged to break each original package, and stamp every particular parcel contained in it, before he could have legally sold it, even to a wholesale dealer. Manufacturers of friction matches, in Canada and New Brunswick, have abused the privilege thus allowed them, and have made up packages of their wares, in convenient sizes, for sale by retail, and they are sold, unbroken, to the consumer. The impost duty on friction matches is too inconsiderable to protect the domestic manufacture, which is thus threatened with destruction by this sharp device. An increase of the import duty, so as to make it superior to the excise, accompanied by a provision aimed at this particular abuse, making it severely penal to sell the imported article in unbroken packages, without stamps, will afford a remedy. Lest, however, the manufacturers of other articles named in the schedule may follow the example of the foreign friction-match makers, and thus pervert the liberality of the law to fraudulent purposes, the repeal of the proviso is recommended.

The provisions for the removal of goods under transportation bonds and for warehousing for exportation operate advantageously, and seem to afford general satisfaction. It appears to me that those provisions may be eligibly extended to other products than spirits, oil, and tobacco. There is little risk of fraud in the exportation of dutiable merchandise from bonded warehouses under existing regulations, while, in the matter of drawbacks, it is very difficult, with the utmost exertion of vigilance, to guard the treasury against dishonest claims; and I am of the opinion that the government is often defrauded into repayment of duties alleged to have been paid on goods exported, on evidence so skilfully manufactured as to be difficult of detection.

Suits are sometimes instituted to recover money paid under protest to collectors on assessments, and payments are frequently made under protest to collectors without being followed by suits. It is recommended as expedient that a period of limitation be assigned by statute within which the right of action shall be asserted. There seems to be no good reason why a party having a claim against the government should not pursue it within a reasonable time, and it is certainly important to collectors who have relinquished office that their responsibilities should be determined, and their accounts with the government closed without unnecessary delay. I suggest that the period of limitation ought not to be longer than one year from the day of payment of the duty to the collector.

The provisions of the existing law, with regard to the time and manner of making returns by tax-payers, are such as seriously to complicate the accounts in the offices of assessors and collectors, and, in many cases, to put the tax-payers to much inconvenience. It is important that the merely formal portions of the internal revenue system shall be simple and uniform, so that the tax-payer may understand his duty, and that the least possible time of the assessor and collector may be absorbed in attention to the forms or modes of procedure.

A reference to the time for making returns and the subsequent proceedings now required in assessments and collections will enable us to perceive the inconvenience and uselessness of much that is now contained in the statute.

And, first, with regard to the annual list. The 11th section of the act passed at the last session makes it the duty of any person liable to an annual tax to make return to the assistant assessor on or before the first Monday of May in each year. The following sections provide for a canvass of the district by the assistant assessor, and the completion of his list within thirty days. As the assistant assessor is not authorized to call upon any person to make returns before the first Monday in May, and as no penalty attaches except upon failure to make return within ten days after being notified, it follows that but few returns will be received by the assistant assessor before the tenth day of the month. The twenty days remaining are entirely insufficient for the careful examination of the returns and the preparation of the list, and I am not aware of a single instance where the list has been returned to the assessor within the thirty days prescribed by law. After the assessor receives his lists from the several assistants, he is required to advertise and hold appeals in each county in his district, and for this, and the necessary revision of the assessments which must be made by him, thirty days is generally found to be an insufficient time. The result is that the list can hardly be completed and delivered to the collector before the first of August. As the annual licenses are assessed upon this list, the effect is, that every business man in the country is forced to violate the law, and to incur the penalty of imprisonment imposed on all who fail to take a license, which is rendered impossible to procure for three months after their liability has commenced. This delay, which is necessarily incident to the proceedings prescribed by the statute, has been productive of much dissatisfaction, especially in the large cities, and it delays the payment to the government of large sums of money. I would recommend such a change in the law as shall obviate this objection. I also suggest that the formal holding of appeals, as required by the 19th section, be abolished, as experience has shown, in the completion of three annual assessments, that tax-payers scarcely ever avail themselves of the privilege. As a part of the direct tax law of 1861, from which it was transferred to the internal revenue law, the provision was doubtless important, as the assessor was engaged but a small portion of the year in the discharge of his duties, and it was fitting that a time should be publicly designated when he would receive appeals from the action of his subordinates. But as a part of the present system under which the assessor is constantly employed, and may at any time be found by a tax-payer, it has proved entirely useless, while it is the occasion of considerable expense and delay. But the provisions for the return of taxes not in the annual list are still more confused. As a general rule, those who are subject to an excise tax upon manufactures and productions must make return on or before the tenth day of the month, and all such taxes are returned to the collector, on a monthly list, by the twentieth of the month. The manufacturer of tobacco, snuff and cigars is required to make a weekly return every Wednesday. The distiller of spirits and coal-oil is required to make his return on the first, eleventh, and twenty-first of each month. The brewer is required to make return and to pay the tax within the first ten days of every month. For the duties on cotton and spirits of turpentine, immediate assessments are to be made whenever either article is brought from any insurrectionary district. The auctioneer makes his return and pays the tax upon his sales within the first ten days of the month, in the same manner as the brewer; while the broker may delay his returns of sales until the thirtieth, and his payment until the tenth of the succeeding month. The tax upon the gross receipts of railroads, steamboats, &c., is returned and paid at the same times as the tax upon brokers' sales. The lottery manager must make his return by the tenth and pay the tax by the twentieth of the month. The newspaper publisher must make return of his receipts from advertising on the first of the month, and pay the tax by the tenth, and this must be done quarterly.

To the confusion thus arising is added still further complexity from the dif-

ferent penalties attendant upon a non-compliance with the law. In some instances a failure to make return at the time specified in the statute renders a party liable to a penalty of fifty per centum, and in others to a penalty of two per centum, while in other instances a penalty attaches only upon failure to make return within ten days after the service of a notice to that effect. There is a similar variety in the conditions under which penalties attach upon failure to pay the duties at the proper time; in one case the liability accruing upon failure to pay on a day specified; at another only upon failure to pay for a certain time after demand, and in others the imposition of a penalty depending upon either or both delinquencies.

It is not to be expected that a system embracing so varied subjects of taxation, and extending over so wide and so diversified a country, should be perfect in its details, after having been in operation for so short a period. Its simplification and harmony must be the result of time and the persistent efforts of the officers charged with its administration in adapting it to the wants of the several classes of the community. The experience of this office, and the almost universal testimony of assessors and collectors, show that many of the provisions of the existing law are annoying to the tax-payers, while they do little or nothing for the protection of the government. From the inauguration of the internal revenue system until the month of July last, manufacturers of tobacco, snuff and cigars made their returns and paid their taxes monthly; and five months' trial of the present practice fails to show any benefit from the change. On the other hand, as it costs the small manufacturer the loss of nearly a whole day in each week, it adds an inducement to fraud, while it materially increases the labor of the officers of the government. In the large and sparsely settled country districts the collector cannot be expected to make the tour of his district more than once in each month, and in the city districts the assessor and collector must each employ a larger clerical force. The loss of revenue or the failure to collect the taxes upon these articles when such failure occurs is, in nearly every case, due to the fact that the liability is not detected by the assessor, or is placed at too low a rate.

The failure to collect the amount assessed is very rare. It has been the practice since the first passage of the law, indeed, to require tri-monthly returns from distillers of spirits and coal-oil, so that both officers and manufacturers have become familiar with the routine, and are therefore less annoyed than is the case with regard to tobacco. I do not hesitate to say, however, that the *monthly* collection of these duties would be much less expensive, and sufficiently secure for the government. In a large majority of instances distillers are possessed of abundant means, and, in all cases, they are under heavy bonds to secure their compliance with the law. Very little revenue has been lost to the government through the inability of the distiller to pay the duties, but much from false and fraudulent returns. The multiplication of returns in no way facilitates the detection of error, but makes it the more difficult, from the greater intricacy of the calculations.

I recommend such an amendment of the law as will require no tax-payer to make return oftener than once in each month.

In addition to what has been said above of the system of appeals in the preparation of the annual list, which has been adopted from the direct tax law of 1861, I would call attention to the radically different functions of the list under that law and under the present. By the act of 1861 a gross sum was imposed upon each State, and by means of the list the amount was apportioned among the several tax-payers. If any man was assessed for too heavy a tax, all others were released from their just share of the national burden; while, if any man's property was undervalued, an additional tax was imposed upon all other citizens of the same State; and if these irregularities were allowed to creep into the list, their subsequent correction was impracticable. It was, therefore, requisite

that the fullest means should be provided for insuring the entire accuracy of the list before it was returned to the collector. Had the machinery of that law ever been called into operation, the holding of appeals would undoubtedly have proved useful. But, under the present internal revenue system, the annual list contains the taxes upon incomes, licenses, and articles enumerated in Schedule A—*i. e.*, plate, carriages, &c. Here each assessment is independent of all others, and in no degree affected by the total of the list. If any error is discovered after the completion of the list, it can be readily corrected, as the tax to be paid by each is determined upon grounds relating to the particular case alone. I would therefore earnestly urge the repeal of so much of the law as requires the holding of formal appeals by the assessor; and if this is done, there will be no sufficient reason for continuing to require a separate list for the annual taxes.

The income tax and the tax upon enumerated articles are conveniently and appropriately assessed and collected at the same time; but the license tax is of an entirely different character, and is scarcely ever paid by the same person, at the same time with either of the others. As the law now requires these several taxes to be assessed simultaneously, it is generally necessary to appoint an additional number of assistant assessors for the months of May and June, and thus much of the work is done by officers of less experience than the regular corps of assistants, while the expense of assessment is increased. If the annual list is dispensed with, I would therefore suggest the propriety of making the taxes upon income and upon enumerated articles payable at a time different from that fixed for the tax upon licenses. The license tax falls principally upon the business carried on in the large cities, and in the most populous of these the yearly leases mostly terminate on the first of May. That date, therefore, which is the one now fixed by the statute, is especially appropriate for the assessment of the license tax. On the other hand, it is so customary for our wealthy citizens to spend the summer elsewhere than in their legal residences, that the collection of the taxes upon income and upon enumerated articles would be much facilitated by an earlier assessment.

A careful study of the whole subject, aided by the suggestions of revenue officers in all parts of the country, has led me to the conclusion that the return of income and of articles in Schedule A should be made on or before the tenth day of March; the application for license, on or before the tenth day of May; and that all other taxes, except those which are paid directly to this office, should be returned monthly, and on or before the tenth day of each month. If this is done, and if all taxes are made payable on or before the last day of the month in which the return is required, the result will be a great simplification of accounts, and a considerable reduction in the expense of assessment and collection.

The rights of the tax-payer being secured by a statute designation of the time for the return and the payment of the tax, the mode and time for the completion of the list being a mere matter of account between the assessor and the collector, may be left to be determined by regulation of this office.

As the law now stands, any person who neglects to make return for ten days after being notified so to do is liable to be assessed with a penalty of fifty per centum of the amount of the tax. This is a salutary provision, and I would by no means advise its repeal; but I would call especial attention to its insufficiency, as a remedy, and the consequent unfairness in its practical application. He who manages to escape the eyes of the assessor at the proper time may avoid the payment of the tax perhaps for months, and when his delinquency is discovered, if he responds promptly to the call of the assessor, no penalty can be inflicted. I would therefore retain the penalty of fifty per centum in the case of refusal or neglect to make return, after being duly notified so to do;

and I would recommend a further penalty, not exceeding four per centum of the amount of the tax, for each month for which a return shall be delayed beyond the time prescribed by law.

In considering what modifications of existing provisions it is proper to suggest, I have studiously abstained from venturing upon any subject which would affect the integrity of the system of taxation as prescribed by the late act of Congress. I have regarded that system as permanently established, and assume that no changes in its principles or its general arrangement would be desirable. The suggestions which I have ventured to make are such as I deemed proper, to give effect to the general purposes of the act, and to render more perfect and complete, in the combination of the parts, what has been so wisely designed as a whole. As has already been experienced, no radical changes can be made without prejudice to the revenue, dislocation of present arrangements, inconvenience to the assessing and collecting officers, and irritating and vexatious annoyance to tax-payers. Particular provisions, however, may be modified without serious detriment to any interest, and propositions for such modifications are entitled to favor where directed to the end of producing harmony in the operations of the machinery of the law, and simplifying the modes of proceeding, so as to be easily comprehended by their subjects as well as their administrators.

In reviewing the late act, some inconsistencies are discovered which it will be advisable to remove, and some omissions appear which it will be well to supply. I will notice a few of these, to which I invite particular attention.

By section 94, it is enacted that "there shall be levied, collected, and paid on all *uncompounded chemical productions*, not otherwise provided for, a duty of five per centum ad valorem."

By section 165, after imposing certain penalties, it is provided "that nothing in this act contained shall apply to *any uncompounded medical drug or chemical*," &c. The contradiction would be removed by substituting "*section*" for "act," in the proviso to the last mentioned section, and a consistency of intention preserved.

The 160th section directs that no stamp duty shall be required on certificates of the measurement or weight of wood, coal, or other articles.

In schedule B, stamp duties are laid "on measurers' returns, if for a quantity not exceeding one thousand bushels, twenty-five cents."

The 105th section imposes a duty upon the gross receipts of premiums by insurance companies, and directs that, in the account or return to be rendered, they shall state the amount insured, renewed, or continued, the *gross amount of premiums received* and assessments collected, and the duties by law accruing thereon, *for the quarter then next preceding*, while, in section 109, the gross amount of the receipts of insurance companies is required to be rendered within twenty days of the end of each and every month, "*for the month next preceding*." The proper correction will be made by striking from the 105th section the words "*for the quarter then next preceding*."

Sections 41 and 179 are not consistent as to the disposition to be made of penalties. If the words "*who, if a collector or deputy collector,*" were stricken from the last section, the inconsistency would be removed. In cases in which the cause of action is confessed by the delinquent party, and the penalty paid without suit, it is recommended that where more than one person claims a moiety as informer the right may be determined by the commissioner.

Section 74 provides for the seizure of the horse and wagon or pack of a peddlar omitting or refusing to exhibit his license on demand, but confers no authority to dispose of the property seized.

In section 79, in the first paragraph, the obvious meaning would be expressed by striking out the clause "*carrying on such business in copartnership*," and inserting in its place "*may carry on business in copartnership and*."

In section 38, reference to section 35 should be section 36.
In section 81, the reference to section 73 should be to section 74.
In section 84, the reference to section 84 should be to section 85.
In section 109, the reference to section 102 should be to section 103.
In section 125, near the end, the word "*and*" should be "*any.*"
In section 1[illegible], the word "*effected*" should be "*affected.*"
In section 135, the word "*extension*" should be "*extinction.*"

Section 119 provides for the collection of income by distraint and sale of stocks, securities and evidences of debt, if need be; but there is no distinct provision for distraint for any other tax. Such a provision might be inserted in section 28, and made to apply to the collection of taxes of whatever description; and in order to render the provision for distraint of securities effective, the officers of all corporations should be required to exhibit their books, when called upon by a collector or deputy collector.

I may be permitted here to request your attention to a subject relating to the internal economy of this office, in which some reform seems to be demanded. I allude to the inadequacy of the salaries now paid to my subordinates. The deputy commissioner, cashier of internal revenue, chief clerk, and the heads of several divisions, as those which have charge of general correspondence, of the correspondence on manufactures, of the claims for drawbacks, of the proceedings relating to detective operations, and of claims for abatement of taxes erroneously assessed, hold offices of great labor and responsibility. For many of these gentlemen there are no office hours, save as limited by necessary rest. I take pleasure in testifying to the faithfulness and self-sacrifice with which their duties are generally performed. Justice to them requires that their salaries be increased, so as to be more nearly commensurate with their services than at present. I venture to suggest that an addition to those of the deputy commissioner and cashier of one thousand dollars would leave their compensation below that usually allowed by private corporations for services of a similar character. Several of the heads of divisions fully earn, according to any reasonable standard for the valuation of their labors, not less than twenty-four hundred dollars, and a provision which should authorize you to make an allowance of that sum to clerks of the highest class in this office, and of increased compensation to others, would, I am satisfied, inure to the benefit of the government. A number of valuable clerks have resigned their places during the past year in consequence of the insufficiency of their salaries for their support.

The aim of Congress in imposing duties on foreign imports, and on domestic productions, is to support the national credit. During a great war the excess of expenditure over income imperils this credit, in a degree greater or less, according to the extent and probable duration of such excess, and to the untouched resources of the country. The financial policy of the government must be to reduce the excess, and it is commonly thought to be well, if possible, to remove it altogether, and meet each year's expenditure by its own revenue. But this policy is often impracticable, and may be abandoned without danger wherever a nation is young and rapidly growing—when each year multiplies the fruitfulness of the preceding, yet is but an earnest of greater prosperity to come.

The necessity for a permanent system of internal taxes in the United States may be best understood by supposing the war ended, the currency restored to a normal basis, and the business of the country again flowing in peaceful and regular channels. The annual outlay to be met by taxation will then consist of the sums needed for the support of the several departments of the government, and for the payment of the interest of the public debt, with perhaps a small surplus to be used for the redemption of a portion of the principal. For example, if we suppose our war ended, leaving us a debt of four thousand millions of dollars, and an annual expenditure fifty per cent. greater than of the years pre-

ceding the war, yet our present tax laws would yield us enough to pay the current expenses of the nation, including interest at six per cent. on the whole debt, and would leave a surplus which would extinguish the debt in about ninety years. Taking into account our prospective increase in production and population, the result would be accomplished in half the time.

This taxation is cheerfully endured by a patriotic people during the great struggle for the nation's life; but, on every reasonable theory of the future, it is far beyond all probable needs, and may, with safety, be considerably reduced when the war is ended. Our present debt is but a moiety of that on which our estimate is based; and even this includes a large amount—some twenty per cent. of itself—on which no interest is paid, nor need be, perhaps, for years to come. If, therefore, the war should end at this time or within a few months, the present rates of taxation might be very largely reduced, and still yield enough to afford every possible guaranty to the creditors of the nation.

Your obedient servant,

JOSEPH J. LEWIS,
Commissioner.

Hon. WM. P. FESSENDEN,
Secretary of the Treasury.

REPORT OF THE TREASURER OF THE UNITED STATES.

TREASURY OF THE UNITED STATES,
Washington, November 21, 1864.

During the year, the business of this office has again largely increased, as appears by the following report:

The statement of the accounts and the business transactions of the treasury, during the fiscal year ending June 30, 1864, were as follows:

Balance from old account	$5, 329, 044 21
Trust funds	88, 554 11
Repayments	15, 013, 216 94

RECEIPTS.

From loans	$1, 136, 361, 787 70	
From internal revenue	110, 216, 783 06	
From customs duties	102, 316, 152 99	
From miscellaneous	47, 511, 448 10	
From Navy Department	6, 578, 678 29	
From War Department	4, 613, 024 66	
From Interior Department	288, 026 42	
From public lands	588, 333 29	
		1, 408, 474, 234 51
Total of balance, trust funds, repayments, and receipts		1, 428, 905, 049 77

Payments during the same year were, on account of and

For public debt	$489, 746, 113 42	
War Department	695, 404, 867 63	
Navy Department	92, 304, 672 96	
Interior Department	7, 901, 809 60	
Civil, diplomatic, and miscellaneous	27, 800, 409 33	
		$1, 313, 157, 872 94

Trust funds	$3,994,054 16
Repayments	15,013,216 94
Balance to new account, July 1, 1864	96,739,905 73
Total expenditures, trust funds, repayments, and balance	1,428,905,049 77

The receipts were covered into the treasury by 3,762 warrants, and the payments were made by 25,158 drafts, issued on 24,336 warrants.

The following figures show the movement of the office during the last four years. It is noticeable, however, that nearly *five hundred millions* of the payments within the last fiscal year were on account of the *public debt redeemed*

Receipts to June 30 for the preceding year of—

1861	$88,694,572 03
1862	589,197,417 72
1863	888,082,128 05
1864	1,408,474,234 51

Payments to June 30 for the preceding year, including in the last named $489,746,113 42, on account of the redemption of the public debt, viz:

1861	$90,012,449 79
1862	578,376,242 79
1863	895,796,630 65
1864	1,313,157,872 94

Showing the transactions of the past fiscal year to have been fifteen and a half times as great as the corresponding year, ending with June 30, 1861.

The receipts on account of the War Department consist, mainly, in repayments into the treasury by disbursing officers, and proceeds of confiscation.

The receipts on account of the Navy Department were, mainly, repayments by disbursing officers, and from captures.

The receipts and expenditures on account of the Post Office Department during the fiscal year ending with June 30, 1864, were as follows, viz:

Balance from old account	$221,488 42
Warrants cancelled	3,085 31
Receipts from postmasters and others	3,718,635 76
Total balance, cancelled warrants and receipts	3,943,209 49
Payments on 2,705 warrants	$2,868,914 52
Balance to new account	1,074,294 97
Total payments and balance	3,943,209 49

The aggregate business transactions at the principal office, in the city of Washington, for the last four years, show the following results:

In 1861	$41,325,339 20
1862	929,630,814 38
1863	2,696,059,087 86
1864	3,889,171,151 00

Being more than ninety-four times as much in the last as in the first-named year.

Certificates of indebtedness were issued of the denominations and amounts as follows:

48,991 of $1,000 each	$48,991,000
24,608 of $5,000 "	123,040,000
Total issue	172,031,000

Being about $12,000,000 more than the issue of last year.

Certificates of indebtedness, with accruing interest thereon, were redeemed of the kinds as follows:

Gold interest certificates	$115,439,233 50
Currency interest certificates	59,098,162 52
Total redemptions	174,537,396 02

National banks organized as per last report	26
National banks organized within the year ending June 30, 1864	447
Total number	473

There was deposited in this office by the first named, as per last report, in security for circulating notes	$1,185,750,00
Deposited during this year $43,263,150, less $182,000, withdrawn	43,081,150,00
Two hundred and four of these banks were designated as depositories of public moneys and financial agents of the government. These deposited for the safe-keeping and prompt payment of the public moneys, in government securities, $11,096,050, less $399,000 withdrawn	10,697,050,00
Personal securities, $19,729,900, less $417,200 withdrawn	19,312,700,00
Total amount of securities deposited by national banks,	74,276,650,00

There has been received from these banks for duty on—

Circulation	$53,031 27	
Deposits	93,082 21	
Capital stock	18,347 73	
		$164,461 21

In this is not included the amount due from the First National Bank of New Orleans, the statement from said bank having been returned for correction.

Currency in kinds and amounts has been issued as follows, in—

One-year five per cent. notes	$44,520,000 00
Two-year five per cent. notes	16,480,000 00
Same with coupons	150,000,000 00
Three year six per cent. compound interest notes	6,060,000 00
Legal tender United States notes	84,050,870 00
Fractional currency	8,169,527 10
	309,280,397 10

Currency was redeemed and destroyed in kinds and amounts as follows:

Old issue demand notes	$2,517,962 50
New issue legal tender notes	19,992,221 90
One-year five per cent. notes	13,262 00
Two-year five per cent. notes	1,197 50

Two-year five per cent. notes, with coupons	$38,379,450 00
Three-year six per cent. compound interest notes	50 00
Postage currency	5,373,300 00
Fractional currency	664,400 00
Amount discounted for parts of all kinds of notes not returned	11,393 93
Total	66,953,237 83

To facilitate disbursements the sum of $775,276,970 71 was transferred during the year, by 1,340 transfer orders, from various government offices to others, being an increase of sixty per cent. over last year.

Payments by transfer checks, on the offices at New York, Philadelphia, Boston, and San Francisco, have been made to the amount of $309,821,882 53 by 60,779 such checks, being nearly twice the amount and twice the number of checks as last year. The number of open accounts at the Washington office was 482, against 368 in 1863 and 232 in 1861, having increased over 100 per cent. in two years.

The number of official manuscript letters written and copied, exclusive of the much greater number written and printed forms, was 7,847, against 4,182 last year.

These statements and figures show an enormous increase of transactions and amounts received and disbursed, and a consequent increase of labor required to conduct the public business with correctness and despatch.

The force of the office, although greatly assisted by temporary appointees, is still inadequate, and the pay of the employés as fixed by law is so small, and the risk so great, that it is very difficult to obtain the talent and proved probity of character required.

The room which is allotted to this office is so restricted, and the number of accounts required to be entered in particular books so great, that it will require extra clerks to be employed in hours when the office is vacated by the ordinary force.

But for the employment of females, whose compensation is low, and in most cases too low, it would have been impossible to have carried on the business of the office with the compensation allowed.

During the year many clerks who were employed in this office have been obliged, in justice to themselves, to resign their positions, in order to enter into business for themselves, or to take places with moneyed and other corporations, or in business houses, where their talents and services were better appreciated and rewarded.

As the law for the employment of temporary clerks is now construed, not more than twelve hundred dollars per annum can be paid to any one of this class of clerks. Unless this restriction is removed, or the number of regular clerks of the higher grades is increased, it will be difficult, if not impossible, to conduct the office in a manner that will be safe to the incumbent, and satisfactory to the public doing business with it.

It is, however, a subject for gratulation that, notwithstanding all these difficulties, and with the immense receipts and expenditures of this office since the commencement of the rebellion, involving thousands of millions of dollars, thus far not one cent has been lost to the government.

I have the honor to be, very respectfully, your obedient servant,

F. E. SPINNER,
Treasurer of the United States.

Hon. WILLIAM P. FESSENDEN,
Secretary of the Treasury.

REPORT OF THE REGISTER OF THE TREASURY.

TREASURY DEPARTMENT,
Register's Office, November 15, 1864.

SIR: I have the honor to submit a statement of the transactions of this office during the fiscal year ending June 30, 1864. My own connexion with the office commenced on the 10th day of August last; consequently the proper limits of this report embrace only the affairs administered by my predecessor.

1. First in magnitude are presented the results of very industrious and highly intelligent labor in the *Loan Division:*

During that year the issues of bonds have been as follows:

Whole number of coupon bonds, 697,798; amount of same, $372,105,600.

Whole number of registered bonds, 35,255; amount of same, $80,597,100.

Whole number of registered bonds issued for assignments, 6,505; amount of same, $29,888,600.

Whole number of registered bonds issued in exchange for coupon, 448; amount of same, $2,773,850.

Classified by their respective loans, the issue of bonds has been as follows, viz:

COUPON BONDS, DIRECT ISSUE.

Loans.	No. of cases.	No. of bonds.	Amount.
1861, acts July 17 and August 5	2,997	20,029	$17,407,500 00
1862, act February 25, 5-20	17,263	559,717	293,238,150 00
1863, act March 3	38	5,850	5,647,500 00
1864, act March 3, 10-40	14,770	112,202	55,812,450 00
	35,068	697,798	372,105,600 00

REGISTERED BONDS, DIRECT ISSUE.

Loans.	No. of cases.	No. of bonds.	Amount.
1861, acts July 17 and August 5	721	3,369	$7,922,000 00
1862, acts February 25, 5-20	6,583	25,930	57,077,100 00
1864, act March 3, 10-40	2,150	5,956	15,298,000 00
	9,454	35,255	80,597,000 00

REGISTERED BONDS, ISSUED FOR TRANSFERS OR ASSIGNMENTS.

Loans.	Number of cases of transfer.	Number of bonds transferred and cancelled.	Number of bonds issued for same.	Amount.
1847	99	345	356	$879.350 00
1848	31	81	83	175,250 00
1858	24	137	114	570,000 00
1860	29	101	115	381,000 00
1861, act February 8	119	619	632	1,716,000 00
1861, acts July 17 and August 5	318	963	963	3,793,500 00
1862, act February 25, 5-20	1,044	5,130	3,978	21,245,700 00
1864, act March 3, 10-40	82	370	264	1,127,800 00
	1,746	7,746	6,505	29,888,600 00

REGISTERED BONDS ISSUED IN EXCHANGE FOR COUPON BONDS.

Loans.	No. of registered bonds issued.	Amount.
1861, acts July 1 and August 5	143	$605,150 00
1862, act February 25, 5-20	236	1,639,200 00
1864, act March 3, 10-40	69	529,500 00
	448	2,773,850 00

Thus it will be seen that in the issue of four hundred and eighty-five million three hundred and sixty-five thousand one hundred and fifty dollars, there have been entered on books, filled out, signed, and transmitted to the proper parties, seven hundred and forty thousand bonds.

The number of letters signed and transmitted with these bonds was forty-six thousand five hundred and sixty-three, and the same number of copies were made and placed on record.

Six thousand one hundred and fifty pages were occupied in journalizing these bonds.

The counting, entry, and destruction of the fractional and postal currency redeemed, and of treasury notes retired from circulation, has become a laborious duty of this office.

During the year thirty million nine hundred and ninety-five thousand four hundred and fifty-four pieces, right halves of fractional and postal currency, have been counted and burned, amounting to the sum of five million seven hundred and seventy-five thousand seven hundred and forty-seven dollars.

One million one hundred and thirty-six thousand two hundred and forty-seven upper halves of treasury notes were counted and burned, amounting to seventy-six million eight hundred and sixty-one dollars and ninety-nine cents.

2. RECEIPTS AND EXPENDITURES DIVISION.

The amount of business done in this division during the fiscal year shows a considerable increase over the preceding year. This is owing to the augmented receipts and expenditures of the year.

The number of warrants issued for the civil, diplomatic, miscellaneous and public debt expenditures in the year ending June 30, 1864, was.. 12,645
In the previous year..... 10,077

Increase..... 2,568

Showing an increase of about twenty-five per cent.

The number of warrants for receipts from customs, sales of public lands, internal revenue, and miscellaneous, for the fiscal year, was	2,870
In the previous year	2,058
Increase	812

Showing an increase of about forty per cent.

The number of warrants issued during the year, for payments and repayments in the War, Navy, and Interior, (Pension and Indian) Departments, was 12,600—a small increase in the year preceding.

The number of journal pages filled with entries of accounts and warrants relating to civil, diplomatic, miscellaneous and public debt receipts and expenditures during the year was:

Treasury proper	1,129
Diplomatic	529
Interior, civil, &c	355
Customs	563
Total	2,576

The number of drafts registered was 27,106.

The number of certificates given for the settlement of accounts was 6,300.

The number of accounts received from the First and Fifth Auditor's offices and General Land Office was 12,707.

At least three-fourths of these accounts were copied for warrants to issue; all were registered, and about one-half entered in the journals and posted in the several ledgers.

Some progress was made in the first part of the year in balancing the ledgers. This work is still several years in arrears.

In this division nine ledgers are kept, containing personal accounts from journals, and seven appropriation ledgers.

There is a great amount of labor performed in the division, of which a detailed account cannot be given. The preparation of the statement of the receipts and expenditures, published annually, occupies nearly the whole time of two clerks.

The care of filing of records, copying accounts for suit, preparing quarterly, for settlement, of the Treasurer's accounts, a list of all the receipts and expenditures, warrants issued during the quarter, involve much labor. The current business of the division has been done promptly.

3. COMMERCE AND NAVIGATION DIVISION.

To this division is assigned all that relates to the statistics of the internal commerce of the United States, the preparation and issue of forms and instructions under the several tariff acts, both for the record of entries and clearances, and the return to the Treasury Department of monthly or quarterly statements of all trade and shipping movements, inward and outward. From these returns the annual report of commerce and navigation is prepared; also the statements and tables for the financial report of the Secretary of the Treasury.

A further duty of preparing annual statements of duties paid, and the quantities and value of all merchandise actually paying duty, has hitherto been in charge of this division. It is now suspended, by reason of the imperfect character of the returns which were employed in the compilation, but will be resumed.

The report on the commerce and navigation of the United States for the year ending June 30, 1852, has just issued from the press. The causes of this delay were set forth in the last annual statement of my predecessor, and are

also explained in the preface to the report. There are many improvements in the form of the tables, as now published, which it is believed may compensate, in some measure, for the delay. The chief purpose has been to render the statistics clear and readily accessible. Condensation has been successfully carried out as required by Congress, at its session of 1862–3. Comparative tables, exhibiting the trade to and from each foreign country for a period of years, will be attached to the next forthcoming report, 1862–3. In these tables the trade to and from each distinguishable division of every foreign country is given in a list of articles embracing all of consequence or significance as elements of trade.

The preparation of these statistics, in *comparative tables*, has involved an immense labor, and rendered it impossible to attach them to the delayed report for 1861–2, and they will, therefore, appear in that of 1862–3, now in the printer's hands, and will embrace a comparison of four years, instead of three years, as was at first designed.

I remain, sir, very respectfully, your obedient servant,

S. B. COLBY, *Register*.

Hon. W. P. FESSENDEN,
Secretary of the Treasury.

REPORT OF THE SOLICITOR OF THE TREASURY.

TREASURY DEPARTMENT,
Solicitor's Office, November 22, 1864.

SIR: I have the honor herewith to transmit eight tabular statements showing, in part, the operations in charge of this office for the fiscal year ending June 30, 1864. They are as follows:

1st. A statement of suits on transcripts of accounts of defaulting public officers, contractors, &c., adjusted by the accounting officers of the Treasury Department.

2d. A statement of suits for the recovery of fines, penalties, and forfeitures, under the customs revenue laws.

3d. A statement of prize cases and suits under the acts of July 13 and August 6, 1861, and May 20, 1862.

4th. A statement of fines, penalties, and forfeitures, under the internal revenue laws.

5th. A statement of suits in which the United States were interested, not embraced in any of the other tables.

6th. A statement of libels filed under the confiscation act of July 17, 1862, and the non-intercourse act of July 13, 1861.

7th. A statement of warehouse and transportation bonds reported for suit by collectors of customs.

8th. A general summary or abstract of the foregoing tables.

This summary shows that the whole number of suits, of all descriptions, brought during the year was 2,604, of which 26 were of class 1, for the recovery of $74,725 10; 200 of class 2, for the recovery of $105,096 05; 336 of class 3; 886 of class 4; 891 of class 5, for the recovery of $133,138 54; 277 of class 6, for the recovery of $538,099 45; and 8 of class 7, for the recovery of $5,585 20.

Of these suits 737 were disposed of during the year in the following manner, viz: 664 were decided for the United States; two were decided against the United States; 43 were settled and dismissed, and 28 were remitted by the Secretary of the Treasury, leaving 1,866 still pending.

Of the suits pending at the beginning of the year, 449 were disposed of in

the following manner, viz: 340 were decided for the United States; 24 were decided against the United States, and 85 were settled and dismissed.

The total number of suits, of all descriptions, decided or otherwise disposed of during the year was 1,186. The gross amount for which judgments were obtained, exclusive of judgments *in rem*, was $67,842 82, and the whole amount collected, from all sources, was $7,985,532 91.

In the report which I had the honor last year to submit to your predecessor, I had occasion to call especial attention to the great disparity in the number of old as compared with recent suits decided in favor of the United States, and to remark that a favorable result in cases which had been more than a year pending was only to be anticipated, if at all, as the result of extraordinary effort.

It is with much gratification that I now point to the marked improvement in this particular, as well as in the general results of the litigation under the charge of this office, as shown in the following tables, presenting a comparativ view of the litigation of the last and the next preceding years.

Year.	Total amount reported sued for.	SUITS BROUGHT DURING THE FISCAL YEAR.							
		Total amount of judgments for United States.	Total amount reported collected.	Decided for United States.	Decided against United States.	Settled and dismissed.	Remitted.	Pending.	Total number of suits brought.
1863	$1,066,939 05	$74,966 94	$1,376,151 74	598	11	339	51	1,052	2,051
1864	856,644 34	30,670 82	4,267,945 65	664	2	43	28	1,866	2,604

Year.	SUITS BROUGHT PRIOR TO FISCAL YEAR.						Whole number of judgments in favor of the U. S. during fiscal year.	Whole amount of judgments in favor of the United States during the fiscal year.	Whole amount collected from all sources during the fiscal year.
	Am't of judgments in old suits.	Decided for United States.	Decided against U. States.	Settled and dismissed.	Total number disposed of.	Amount collected in old suits.			
1863..	$60,151 18	96	247	64	407	$1,621,557 71	694	$135,118 12	$2,997,709 45
1864..	37,172 00	340	24	85	1,186	3,717,588 26	1,004	67,842 82	7,985,532 91

In addition to the superintendence of suits in which the United States are a party or have an interest, the results of which are exhibited in the tables to which reference has been made, there are two other important branches of duty devolved upon the Solicitor of the Treasury, to which it is proper that I should call your attention.

The first is that arising under the act of March 3, 1863, which provides that the Solicitor of the Treasury, under the direction of the Secretary of the Treasury, shall take cognizance of frauds upon the revenue, and shall exercise a general supervision over the measures for their prevention and detection.

To enable the Solicitor to perform the duties thus enjoined upon him, the Secretary of the Treasury was authorized to appoint three clerks in addition to those already attached to the office. No appointment has, however, been made under the authority thus conferred, except that of one clerk for about one month, the additional labor thus devolving upon the office having been performed by the Solicitor with the aid of the clerks already assigned to him.

By the twentieth section of the act to provide internal revenue, &c., approved March 3, 1863, the Secretary of the Treasury was authorized to appoint three revenue agents to aid in the prevention, detection, and punishment of frauds upon the revenue, and, under the power thus given, two revenue agents were appointed and placed under the direction of the Solicitor, one to reside in the city of New York, and to be employed in that and other domestic ports, and the other to be employed in Europe.

I do not deem it necessary to enter into a detailed statement of the operations of the revenue agent at New York, as they have all been heretofore communicated in the several reports of his action which have been from time to time made by him or myself. I will say, however, that, in my judgment, they have been of very great importance, and will redound to the signal advantage of the revenue, and I take great pleasure in testifying to the ability and energy with which they have been performed.

In this connexion I beg to call the attention of the Secretary to what I deem the very inadequate compensation allowed to that officer, and respectfully to recommend its material increase.

The agent employed in Europe sailed from New York in the latter part of July, 1863, and arrived in Paris early in the following month, when he at once entered upon the discharge of his duties. He has resided chiefly at Paris, but has made visits to nearly all the important portions of France and Germany, and has exhibited great zeal, industry, and ability in the performance of his duties. He has collected a large amount of information respecting prices and usages of trade affecting exports from those countries designed for the markets of our own, and has communicated the result in a series of highly interesting and important reports. The statements of these reports are sustained and corroborated by despatches to the State Department from several of our consuls residing in France and Germany, which reports have been transmitted by order of the Secretary of State for the information of this department, and have been referred by the Secretary of the Treasury to this office.

They indicate that fraudulent undervaluation in the invoices of merchandise exported to this country prevails in many districts of Europe to an extent which materially affects the revenue of the United States. As soon as practicable after the receipt of the first reports of Mr. Gibbs communicating the results of his inquiries, I commenced the adoption of measures designed to test the correctness of his conclusions and to detect and punish the supposed violations of our revenue laws, if they were found to exist. Before, however, these measures had produced any decided results, a disclosure was made to the revenue officers at San Francisco, by a person who had just been excluded from a firm engaged in the importation of champagne and other wines at that port, of extensive frauds in the invoicing of wines imported by that firm. This led to the seizure of the books and papers of several parties engaged in the importation of wines, and among these was found not only evidence which the revenue officers deemed conclusive of fraud on the part of some of those parties, but also proof which convinced them of the existence of very general and material undervaluation of wines imported from France and Germany.

These developments being communicated to the revenue officers at New York, measures were taken by them resulting in the discovery of evidence strongly corroborating that which had been developed at San Francisco, both

in regard to the particular cases which had arisen at the latter place and as to the general prevalence of undervaluations of imported wines.

Under these circumstances it was deemed improper to admit to entry, at the invoice valuation, any of the wines appearing by the reports of Mr. Gibbs and the despatches of our consuls to be grossly undervalued, and most of those wines remaining under the control of the collectors of customs at New York and San Francisco, consisting chiefly of champagnes, and amounting to many thousand baskets, have been seized, and proceedings have been instituted for their condemnation. Commissions to take testimony in Europe have also been issued, and the naval officer at San Francisco has been despatched thither to superintend their execution. The proceedings thus instituted will be pressed forward as rapidly as practicable.

But it is by no means with respect to wines alone that the reports to which I have referred indicate that frauds are practiced. They are alleged to exist in regard to large classes of merchandise imported from continental Europe, and the statements in relation to them are of the most positive and circumstantial character, and are supported by the transmission of a great variety of samples, with the prices at which they are invoiced, and also those at which they are said to be actually sold in the principal markets of the countries from which they are exported. These samples, and the statements accompanying them, have been forwarded to the revenue officers at New York and San Francisco, and it is hoped that they will there receive such attention and be so used as materially to aid in ascertaining the true dutiable value of the merchandise to which the samples relate, and thus detecting the frauds in question, if they really exist, of which it is perhaps proper for me to say there can be no doubt, if any reliance can be placed upon the statements to which I have so often referred.

The experience which has been thus far had of the operation of the act of March 3, 1863, for the prevention of frauds upon the revenue warrants the belief that it will, in a very high degree, answer the expectations of those by whose recommendation it was adopted. I am of opinion, however, that one additional provision is requisite in order to make its operation perfectly satisfactory.

It will be perceived by an examination of the act that the safeguard against fraud provided by it consists in the means of detection furnished by the deposit of a triplicate of each invoice with the consular officer residing in the district from whence the merchandise is brought, thus enabling the consul or the agent of the department to compare the prices stated in the invoice with those which the commodities actually bear in the foreign market. The law as it now stands requires no verification of the invoice by or before the consular officer, so that he is not warranted in demanding any evidence whatever that the matters set forth in the invoice are true, except the mere declaration required by the act to be indorsed thereon, which has no other sanction than that arising from the danger of forfeiture of the goods in case the declaration shall be proven to be false.

Now, the safeguard thus provided would probably be sufficient were there any means of compelling the production of definite as well as true invoices. But, unfortunately, this is not the case, and the truth is that the invoices presented are so indefinite and vague that, in perhaps a majority of instances, no one can form any correct idea of the character of the goods from the description therein given of them. There can be little doubt that this indefiniteness is often the result of design, and is resorted to for the purpose of covering false valuations in the invoice, and of throwing difficulties in the way of a proper classification at the time of entry.

An attempt was made by some of our consuls to remedy this difficulty in some degree by requiring exporters to furnish samples of the goods invoiced, when-

ever it was practicable for them to do so, but this requirement not being sanctioned by law, and meeting with great resistance, was necessarily abandoned. Such a requirement would not, it is evident, even if sanctioned by law, provide a complete remedy for the inconvenience in question, and perhaps it would be impracticable to frame a law which should provide effectually and in detail for every case, and at the same time place no undue obstructions in the course of trade. I think a more practicable course will be to give some discretion in the premises to our consular officers, guided and limited by instructions from the proper authorities here.

With this view I would recommend the enactment by Congress of a provision authorizing our consular officers to require, before certifying invoices, satisfactory evidence, either by the oath of the person presenting them or otherwise, that such invoices are correct and true, and directing that, in the exercise of the discretion thus given, such officers shall be governed by such general or special regulations or instructions as may, from time to time, be established or given by the Secretary of State. Under the authority of such a provision I think that measures can be devised which will at once protect the revenue, and save importers from any serious annoyance.

The other subject to which I have alluded is that of the suppression of counterfeiting the treasury notes and other securities and of the coin of the United States. By an act of Congress passed at its last session one hundred thousand dollars was appropriated for the purpose of meeting any expenses in detecting and bringing to trial and punishment persons engaged in such counterfeiting. By a previous act twenty-five thousand dollars was appropriated for the like purpose. The late Secretary of the Treasury placed the direction of the measures contemplated by these acts under the control of this office, and during the past year they have been prosecuted with vigor and success.

There have been arrested, by those acting under the direction of the Solicitor, about fifty persons, chiefly those immediately connected with the manufacture of counterfeit money, together with a considerable number of presses and plates employed by them, and a large quantity of spurious notes and material for their manufacture. Several of the persons arrested have been tried and convicted, and others are now in custody awaiting trial; most of the latter have been recently arrested.

I am not able to state the precise amount of the expenses incurred in these operations, as all the accounts therefor have not yet been rendered, but I think it will prove to be not far from forty thousand dollars; and, as it is impracticable to estimate with any great accuracy the expenditures of the next fiscal year, I think that an additional appropriation should be asked of Congress equal to that made at the last session.

I have the honor to be, very respectfully,

EDWARD JORDAN,
Solicitor of the Treasury.

Hon. W. P. FESSENDEN,
Secretary of the Treasury.

Statistical summary of business under charge of the Solicitor of the Treasury during the fiscal year ending June 30, 1864.

Judicial districts.	SUITS BROUGHT DURING THE FISCAL YEAR ENDING JUNE 30, 1864.																	
	Treasury transcripts.		Fines, penalties, and forfeitures under customs revenue laws.		Prize suits.		Confiscation suits under act July 17, 1862, and suits under acts of July 13, 1861, August 6, 1861, and supplementary.		Suits under internal revenue laws.		Miscellaneous.		Custom-house bonds.		Total amount (reported) sued for.	Total amount (reported) judgments for United States.	Total amount (reported) collected.
	No.	Amount sued for.	No.	Amount sued for.	No.	Amount sued for.	No.	Amount sued for.	No.	Amount sued for.	No.	Amount sued for.	No.	Amount sued for.			
Maine			10	$44,551 25			1				4	$2,000 00			$46,551 25	$1,001 00	$1,000 00
New Hampshire									3	$270 00					270 00		
Vermont			3						9	1,895 54					1,895 54		40,890 32
Massachusetts			12	514 80	32		2		6	1,928 00	8				2,442 80	8,980 73	1,399,042 73
Connecticut																	
Rhode Island									2	110 00	2	733 60			843 60	814 15	414 15
New York, northern district	3	$31,250 44	4				4		46	8,690 00	26	12,050 00			51,990 44	3,651 45	4,405 15
New York, southern district	1	6,000 01	60	35,430 00	19		76		448	93,424 00	11	413,550 00	6	$5,585 20	553,989 21		521,323 25
New Jersey							2		108	4,575 00					4,575 00		
Pennsylvania, eastern district					24		2		34	3,300 00	3	8,000 00			11,300 00		481,405 11
Pennsylvania, western district																	
Delaware																	
Maryland					5		66		17	440 00					440 00		9,792 58
District of Columbia					26												67,524 68
Virginia, eastern district							315										
West Virginia																	
North Carolina																	
South Carolina																	
Georgia																	
Florida, northern district			1		5		10										
Florida, southern district					90												718,075 48
Alabama, northern district																	
Alabama, southern district																	
Louisiana, eastern district			9		88		160									965 28	333,938 47
Louisiana, western district																	
Mississippi, northern district																	
Mississippi, southern district																	
Texas, eastern district																	

Texas, western district																		
Arkansas, eastern district																		
Arkansas, western district																		
Missouri, eastern district	1						43		5	270 00					270 00			26,204 06
Missouri, western district	3																	
Tennessee, eastern district							20											
Tennessee, western district																		
Tennessee, middle district							10											5,022 48
Kentucky							65		48	4,029 00	15	37,525 55			41,554 55	1,850 65		10,595 17
Ohio, northern district			3						5	1,770 00	5				1,770 00			4,107 90
Ohio, southern district			2				17				13	2,000 00			2,000 00	2,135 00		41,348 39
Indiana							25		150	10,070 00	155	10,450 00			20,520 00	7,515 00		5,270 33
Illinois, northern district			1				1		4	295 00	9				295 00	2,120 00		1,342 75
Illinois, southern district	2		1		47		11											594,231 52
Michigan, eastern district	1		10	22,000 00			10		4	2,000 00	5	51,090 30	2		75,090 30			1,431 80
Michigan, western district									2	72 00					72 00			
Wisconsin	2	10,831 53	8	2,600 00											13,431 53			400 00
Iowa	7	16,142 02													16,142 02	1,275 06		1,600 00
Minnesota	2	8,333 46					4								8,333 46			
Kansas							24				5	500 00			500 00	86 00		
California, northern district			76								7					250 00		98,378 78
California, southern district																		
Oregon																		
Washington Territory																		
Utah Territory																		
Nebraska Territory	4	2,167 64													2,167 64			
Dakota Territory																		
Colorado Territory											9	200 00			200 00	26 50		200 65
Nevada Territory																		
New Mexico Territory																		
Arizona Territory							4											
Idaho Territory																		
Total	26	74,725 10	200	105,096 05	336		886		891	133,138 54	277	538,099 45	8	5,585 20	856,644 34	30,670 82		4,267,945 65

Statistical summary of business under charge of the Solicitor of the Treasury, &c.—Continued.

Judicial districts.	SUITS BROUGHT DURING THE FISCAL YEAR ENDING JUNE 30, 1864.						SUITS BROUGHT PRIOR TO THE PRESENT FISCAL YEAR.								
	Decided for the United States.	Decided against United States.	Settled and dismissed.	Remitted.	Pending.	Total number of suits brought.	Amount of judgments in all old suits this year.	Decided for the United States.	Decided against United States.	Settled and dismissed.	Total number of suits disposed of.	Amount collected in all old suits this year.	Whole number of judgments returned in favor of the United States during the year.	Whole amount of judgments rendered in favor of the United States during the fiscal year ending June 30, 1864.	Whole amount collected from all sources during the fiscal year ending June 30, 1864.
Maine	4				11	15	$117 30	6			10	$2,010 21	10	$1,117 30	$3,010 21
New Hampshire			3			3				2	5				
Vermont		1		3	8	12	259 00	3			7	261 00	3	259 00	41,151 22
Massachusetts	17		1		42	60	1,696 44	4	1	1	24	433,334 42	21	10,677 17	1,732,377 15
Connecticut										1	1				
Rhode Island	2				2	4	20 00	2			4	10 00	4	834 15	424 15
New York, northern district	43		1		39	83	300 00	4			48	3,623 69	47	3,951 45	8,028 84
New York, southern district	70				545	615	5,500 00	89	10	33	202	1,375,458 33	159	5,500 00	1,696,781 58
New Jersey					110	110	4,000 00	60	4	30	94	4,200 00	60	4,000 00	4,200 00
Pennsylvania, eastern district	9				54	63	909 00	4	1	1	15	658,358 25	13	909 00	1,139,768 36
Pennsylvania, western district							390 00	1			1	408 32	1	390 00	408 32
Delaware															
Maryland	30			1	57	88		4	2	3	40	1,166 64	34		10,959 22
District of Columbia	11				15	26				3	14	47,938 11	11		115,462 79
Virginia, eastern district					315	315									
West Virginia															
North Carolina															
South Carolina															
Georgia															
Florida, northern district	1				15	16					1		1		
Florida, southern district	47				43	90		21		2	70	910,315 53	68		1,628,391 01
Alabama, northern district															
Alabama, southern district															
Louisiana, eastern district	53			1	203	257					54		53	965 28	333,938 47
Louisiana, western district															
Mississippi, northern district															
Mississippi, southern district															
Texas, eastern district															
Texas, western district															
Arkansas, eastern district															
Arkansas, western district															

Missouri, eastern district	15		1	1	32	49		3			20	60,663 37	18		86,867 63
Missouri, western district					3	3	2,669 48	1		1	2	98 69	1	2,669 48	98 69
Tennessee, eastern district					20	20									
Tennessee, western district															
Tennessee, middle district	9				1	10					9		9		5,022 48
Kentucky	21	1	1	2	103	128	4,100 00	28	3	1	57	14,173 70	49	5,950 65	24,708 87
Ohio, northern district	7				6	13	1,110 00	20	3		30	3,200 00	27	1,110 00	7,307 90
Ohio, southern district	25				7	32		3			28	1,736 04	28	2,135 00	43,084 43
Indiana	199		30	20	81	330	3,425 00	28			277	8,587 03	227	10,940 00	13,858 26
Illinois, northern district	8		3		4	15	1,600 00	20			31	2,500 00	28	3,720 00	3,842 75
Illinois, southern district	39		1		21	61	8,840 42	10		5	55	103,504 58	49	8,840 42	697,736 10
Michigan, eastern district	3		2		27	32		8		1	14	4,155 88	11		3,587 68
Michigan, western district					2	2	250 00	1			1	280 00	1	250 00	280 00
Wisconsin	1				9	10				1	2	1,656 64	1		2,056 64
Iowa	1				6	7	266 71	1			2		2	1,541 77	1,600 00
Minnesota					6	6									
Kansas	4				25	29					4		4	86 00	
California, northern district	38				45	83		18			56	79,946 73	56	250 00	178,325 51
California, southern district															
Oregon															
Washington Territory															
Utah Territory															
Nebraska Territory					4	4	1,718 65							1,718 65	
Dakota Territory								1			1		1		
Colorado Territory	7				2	9					7		7	26 50	200 65
Nevada Territory															
New Mexico Territory															
Arizona Territory					4	4									
Idaho Territory															
Total	664	2	43	28	1,866	2,604	37,172 00	340	24	85	1,186	3,717,588 26	1,004	67,842 82	7,985,532 91

REPORT OF THE FIRST COMPTROLLER OF THE TREASURY.

TREASURY DEPARTMENT,
Comptroller's Office, October 10, 1864.

SIR: I respectfully submit the following detail of the business operations of this office for the fiscal year terminating June 30, 1864.

The following described warrants of the Secretary of the Treasury have been examined, countersigned, entered in blotters, and posted, to wit:

Diplomatic warrants	2,006
Stock warrants	2,136
Quarterly salary warrants	1,997
Treasury (proper) warrants	2,016
Treasury Interior warrants	2,317
Treasury customs warrants	1,987
Treasury internal revenue warrants	941
War pay warrants	9,116
War repay warrants	516
Navy pay warrants	2,213
Navy repay warrants	384
Interior pay warrants	961
Interior repay warrants	213
Treasury appropriation warrants	28
Treasury Interior appropriation warrants	13
Interior appropriation warrants	48
Customs appropriation warrants	13
War appropriation warrants	19
Navy appropriation warrants	22
Land covering warrants	181
Customs covering warrants	563
Internal tax covering warrants	61
Miscellaneous covering warrants	1,306
	29,057

Accounts described as follows, reported to this office by the First and Fifth Auditors and the Commissioner of the General Land Office, have been revised, and the balances arising therefrom certified to the Register of the Treasury:

I. From the First Auditor:

Judiciary.—Embracing the accounts of marshals for expenses of the United States courts; of United States district attorneys; of clerks of the United States circuit and district courts; and of United States commissioners, for per diems and fees 716

Public debt.—Embracing accounts for redemption of United States stock and treasury notes; the interest on the public debt; the United States Treasurer's accounts; United States assistant treasurers' accounts; temporary loans; and all matters pertinent thereto 1,562

Mint and branches.—Embracing accounts of gold and silver bullion; of ordinary expenses, repairs, wages of employés, &c 43

Territorial.—Embracing accounts of governors of the Territories for contingent expenses; of the secretaries of the Territories for legislative and contingent expenses, &c 38

Salaries.—Embracing accounts of salaries of United States and territorial judges; of officers of the executive departments, marshals, attorneys, &c 1,152

Public printing.—Embracing accounts for public printing, binding, and paper..... 91

Miscellaneous.—Embracing accounts of the United States Coast Survey; of the Commissioner of Public Buildings; for the suppression of the slave trade; for horses and other property lost in the military service of the United States, &c..... 713

Congressional.—Embracing the accounts of the secretary of the United States Senate and the Clerk of the House of Representatives..... 82

II. From the Fifth Auditor:

Diplomatic and consular.—Embracing the accounts of foreign ministers for salary and contingent expenses; of secretaries of legations for salaries; of consuls general, of consuls and commercial agents for salary, and for disbursements for the relief of destitute American seamen; of United States commissioners under reciprocal treaties; of accounts under treaty for foreign indemnity, and of contingent expenses of consuls, &c..... 1,561

Patent Office.—Embracing accounts for contingent and incidental expenses, for salaries, &c..... 18

Agricultural Department.—Embracing accounts for salaries and expenses, &c..... 10

Census office.—Embracing accounts of the disbursing clerk thereof..... 4

Internal revenue.—Embracing accounts for drawback; accounts of United States assessors, and United States tax commissioners, &c..... 732

III. From the General Land Office:

Embracing accounts of receivers of public money, and as acting as United States disbursing agents; of surveyors general and deputy surveyors; accounts of the States for percentage on lands sold within their respective limits; of lands erroneously sold, &c..... 1,367

Aggregate of accounts revised:

From First Auditor.....	4,397
From Fifth Auditor.....	2,325
From Land Office.....	1,367
	8,089

Bonds entered, filed, and indexed..... 313

Letters written upon matters belonging to or arising from the business of the office..... 4,516

Internal tax receipts registered, posted, and filed..... 2,716

There have been also regularly entered, filed and indexed, with the proper briefs indorsed thereon, all letters and communications received in the office. The emolument returns which the law requires should be made semi-annually by all United States marshals, district attorneys, and clerks of United States courts, have been examined, entered, and properly filed; and all requisitions made from time to time for advances of public money to United States marshals, territorial officers, to treasurers of mint and branches, to disbursing agents, &c., have been examined, entered, and duly reported upon.

Much other business which it is impossible here to particularize, arising necessarily in the operations of the office from day to day, has been despatched, and I take pleasure in commending to you the gentlemen connected therein for the promptness and fidelity they have at all times evinced in the discharge of their public duties.

Very respectfully,

WM. HEMPHILL JONES,
Acting Comptroller.

Hon. W. P. FESSENDEN,
Secretary of the Treasury.

REPORT OF THE SECOND COMPTROLLER OF THE TREASURY.

TREASURY DEPARTMENT,
Second Comptroller's Office, October 6, 1864.

SIR: I have the honor to submit the following report of the operations of this office for the fiscal year ending June 30, 1864:

The number of accounts of disbursing officers and agents received and finally adjusted were, on reports of the

Second Auditor	4,866
Third Auditor	2,339
Fourth Auditor	400

There have been examined and acted upon 79,496 certificate accounts from the Second Auditor for arrears of pay and bounty due deceased and discharged soldiers, and 10,320 for salaries of contract surgeons.

The number of certificate accounts from the Fourth Auditor's office revised and settled in this office was 1,520.

There were adjudicated and prepared for distribution, on reports from the Fourth Auditor, the proceeds of 304 prizes, amounting to $3,884,692 91; and the accounts of 9,489 discharged and deceased sailors for prize money were revised and settled.

The number of requisitions upon the Secretary of the Treasury examined, countersigned, and recorded in this office, were, from the

Interior Department:		
Pay or advance requisitions	970	
Refunding requisitions	69	
		1,039
War Department:		
Pay or advance requisitions	8,330	
Refunding requisitions	516	
		8,846
Navy Department:		
Pay or advance requisitions	2,859	
Refunding requisitions	410	
		3,269
		13,154

The number of official letters received during the year was 2,503, and of those written 1,860, the latter filling 827 pages of the letter-books. Besides this a very large amount of correspondence is conducted by this office in the form of indorsements made directly upon papers referred here for decision. Such cases are entered on a reference book with a brief digest of the decision only, though much time and labor are expended in their investigation.

The several reports exhibiting the expenditures made during the fiscal year, and the state of the appropriations under the control of the Interior, War, and Navy Departments, have been prepared and transmitted in duplicate to the several Secretaries of those departments, to be laid before Congress in compliance with the act of May 1, 1820.

Notwithstanding the enormous increase in the business of this office, I take pleasure in saying that none of it is in arrears, and that the persons employed in it have performed their duties with industry, intelligence, and punctuality. For a month or more, the pressure of business was so great that night-work was rendered indispensable to avoid an accumulation of arrears; and the call upon the clerks for this extra labor met with an efficient and cheerful compliance.

Since an augmentation of force has been granted by Congress, the ordinary office hours suffice for the prompt transaction of business, with the exception

that so much of the time of the Comptroller is consumed in signing his name to official papers, that with all the rapidity that long experience and familiarity with his duties enable him to exert, he cannot, by possibility, keep his table moderately clear of undecided cases without working nearly every day till dark, and occasionally at night.

A new edition of the "Digest of Decisions" in this office has been prepared, and will be immediately issued for the use of accounting and disbursing officers. All the numerous decisions from 1852 to the present time have been added, and the book will furnish a complete summary of the Second Comptroller's decisions on the questions submitted to him since the organization of the office in 1817.

As far back as 1854, in my report to one of your predecessors, Secretary Guthrie, I suggested what I thought would be an improvement in making appointments to this office; and as I have seen nothing to change my opinion, as then expressed, but much to confirm it, I respectfully submit to your better judgment what I then said upon the subject:

"It is, in my opinion, a serious defect in the organization of this office, (and other revising offices,) that the clerks appointed to it are not selected from the various Auditors' offices, whose statements of accounts they are to examine and submit for the final action of the Comptroller.

"When the great variety and number of statutes and regulations bearing upon the admissibility of vouchers, and the legality of claims, are taken into view, it is evident that an inexperienced clerk, taken from other pursuits, however strict his fidelity, cannot pass an intelligent judgment upon the accounts that may be assigned to him for revision. By diligence and study, if of good natural ability, he may, in time, become competent; but in the meanwhile the head of the office must personally investigate the details of accounts, doing the work which the clerks were provided to perform, or sanction results in which he can have no confidence, except what he may derive from the previous examinations in another bureau. Some who are thus appointed will inevitably prove destitute of the desire or the capacity to improve, and will pass accounts with the smallest of information, labor, and scrutiny that will save them from dismissal. In such cases the public interests are more or less in peril, for the final action of the office must generally be based upon the examination and report of the revising clerk, and an erroneous allowance once passed will not be brought to light unless by accident.

"The errors that may be made in an Auditor's office are comparatively unimportant, if a corps of thoroughly educated, experienced, and faithful clerks in the Comptroller's office are to reinvestigate the work. The liability to confirm an error in principle or calculation would then be small; but where the natural process is reversed and men wholly uninstructed are appointed to revise the action of clerks—some of whom have great experience and ability, and all of whom are at least partially educated in their official business—it is easy to see that an error unnoticed or committed in one office will be likely to pass without detection through the other.

"The true policy would be to make no original appointments in the Comptroller's office, but as vacancies occur there, to fill them by transfers from the Auditors' offices, of capable clerks who have served an apprenticeship to the business they would be called upon to revise.

"To carry out this policy, the salaries in the Comptroller's office should be sufficiently large to make such a transfer *a promotion.* * * * *

"I feel great confidence that if this plan be adopted, it will prove economical to the government, notwithstanding the increase of salaries; and it seems so advantageous in other respects, that I urgently recommend it to the favor of the Secretary."

I have the honor to be, respectfully, your obedient servant,

J. M. BRODHEAD, *Comptroller.*

Hon. WM. P. FESSENDEN,
Secretary of the Treasury.

REPORT OF THE FIRST AUDITOR OF THE TREASURY.

TREASURY DEPARTMENT,
First Auditor's Office, September 26, 1864.

SIR: I have the honor to submit the following report of the operations of this office for the fiscal year ending June 30, 1864.

ACCOUNTS ADJUSTED.

RECEIPTS.	No.	Amount.
Collectors of customs	1,047	$81,515,008 20
Collectors under the steamboat act	292	25,648 40
Internal and coastwise intercourse	3	70 20
Aggregate receipts	1,342	81,540,726 80

DISBURSEMENTS.		
Collectors as disbursing agents of the Treasury	1,019	3,888,906 71
Official emoluments of collectors, naval officers, and surveyors	1,139	829,582 42
Additional compensation of collectors, naval officers, and surveyors	3	808 41
Excess of deposits for unascertained duties	78	2,356,994 02
Debentures, drawbacks, bounties, and allowances	115	951,354 91
Special examiners of drugs	57	6,000 00
Superintendents of lights, &c	256	801,160 28
Agents of marine hospitals	638	246,680 86
Accounts for duties and fees illegally exacted, fines remitted, judgments satisfied, and net proceeds of unclaimed merchandise paid	448	454,453 43
Judiciary accounts	810	1,037,067 25
Redemption of United States stock loan of 1842	15	111,611 92
Redemption of Texan indemnity bonds	11	972,381 20
Redemption of Oregon war debt	2	5,320 78
Redemption of 7-30 treasury notes funded	1	691,158 73
Redemption of certificates of indebtedness	51	159,094,273 50
Reimbursement of temporary loans	1,285	197,423,365 85
Redemption of treasury notes received for customs	60	2,039,523 55
Interest on the public debt	209	24,464,637 90
Reimbursement of the Treasurer of the United States for treasury notes, fractional currency, and 5-20 bonds destroyed by burning	121	45,617,445 65
Property lost in the military service of the United States	246	486,509 43
Inspectors of steam vessels for travelling expenses, &c.	121	15,996 44
Superintendent of Public Printing	84	936,181 61
Insane Asylum, District of Columbia	6	72,172 35
Columbia Institution for the Deaf, Dumb, and Blind	5	7,001 24
Designated depositaries for additional compensation	2	1,611 24
Construction and repairs of public buildings	173	1,093,329 98
Washington aqueduct	6	112,645 86
Timber agents	7	3,447 01
Contingent expenses of the Senate and House of Representatives, and of the several departments of the government	316	1,322,711 94
Mints and assay offices	64	27,045,320 23

	No.	Amount.
Territorial accounts	29	66,992 04
Salaries of officers of the civil list paid directly from the treasury	804	395,970 30
Coast survey	27	$285,323 40
Disbursing clerks for paying salaries	252	2,675,715 40
Disbursing agent for California land claims	4	1,900 00
Withdrawals of applications for patents, &c	4	1,280 00
Treasurer of the United States for general receipts and expenditures	4	964,932,938 27
Pay and mileage of members of the Senate and House of Representatives	1	499,492 38
Commissioner of Public Buildings	147	452,403 27
Commissioner of Agriculture	8	105,059 69
Capitol extension and new dome	15	361,143 27
Miscellaneous accounts	917	5,800,953 18
Total	9,560	1,447,668,825 90

Letters recorded	1,316
Accounts recorded	7,580
Powers of attorney registered and filed	1,646
Acknowledgments of accounts written	5,174
Requisitions answered	256
Total	15,972

T. L. SMITH, *Auditor.*

Hon. WILLIAM P. FESSENDEN,
Secretary of the Treasury.

REPORT OF THE SECOND AUDITOR OF THE TREASURY.

TREASURY DEPARTMENT,
Second Auditor's Office, October 5, 1864.

Statement of the operations of the Second Auditor's office during the fiscal year ending June 30, 1864, showing the number of money accounts settled, and the amount of the expenditures embraced therein, and, in general, the other duties pertaining to the business of the office; prepared in obedience to instructions of the Secretary of the Treasury.

The number of accounts settled is 99,898, embracing an expenditure of $159,917,380 83, under the following heads, viz:

Pay department	$88,944,415 39
Indian affairs	2,242,154 74
Ordnance department of the army	47,103,047 71
Quartermaster's department, expended on account of contingencies of the army, &c	9,946 68
Medical and hospital department, including supplies, &c., for prisoners of war	8,076,034 34
Contingencies of the army	209,785 12
Secret service fund	91,491 08
Purchase of books, &c	23,217 50
Artificial limbs for soldiers and seamen	10,485 00

Providing comfort for discharged soldiers	7,213 79
Preparing register of volunteers	1,356 19
Collecting, drilling, and organizing volunteers	1,436 15
Contingent expenses of Adjutant General's department	133 94
Relief of certain musicians and soldiers at Fort Sumter, S. C.	190 00
Miscellaneous claims	5,200 14
Expenses of recruiting	130,483 66
Collecting, drilling, and organizing volunteers	$1,165,180 14
Pay of bounty to regulars and volunteers	453,295 00
Enrolment and draft	471,785 35
Arrears of pay, bounty, &c., to discharged and deceased officers and soldiers	10,970,528 91
Total	159,917,380 83

Property accounts examined and adjusted	29,745
Requisitions registered, recorded, and posted	5,410
Letters, claims, &c., received, briefed, and registered	254,690
Letters written, recorded, and mailed	108,373
Names of soldiers, dead and discharged, recorded	47,618

In addition to the foregoing, various statements and reports have been prepared and transmitted from this office, as follows:

Annual statement of disbursements in the department of Indian affairs, for the fiscal year ending June 30, 1863, prepared for Congress.

Annual statement of the recruiting fund, prepared for Adjutant General of the army.

Annual statement of the contingencies of the army, prepared in duplicate for the Secretary of War.

Annual statement of the contingent expenses of this office, transmitted to the Secretary of the Treasury.

Annual report of balances on the books of this office, remaining unaccounted for more than one year, transmitted to the First Comptroller.

Annual report of balances on the books of this office, remaining unaccounted for more than three years, transmitted to the First Comptroller.

Annual statement of the clerks and other persons employed in the office during the year 1863, or any part thereof, showing the amount paid to each on account of salary, with the place of residence, &c., in pursuance of the 11th section of the act of August 26, 1842, and resolution of the House of Representatives of the 13th January, 1846, transmitted to the Secretary of the Treasury.

Monthly reports of the clerks in this office, submitted each month to the Secretary of the Treasury, in compliance with his instructions of the 17th of August and 11th of September, 1861, together with a tabular statement showing the amount of business transacted in the office during the month, and the number of accounts remaining unsettled at the close of the month.

Statement containing the names of the permanent and additional clerks attached to this office, with the rates of compensation, transmitted to the Secretary of the Treasury.

Statement showing the name, place of birth, residence, date of appointment, and annual salary of each person employed in this office on the 30th of September, 1863, transmitted to the Register of the Treasury.

Estimate of the expenses of this office for the fiscal year ending June 30, 1865, transmitted to the Register of the Treasury.

All the ledger accounts confirmed by the Second Comptroller have been regularly journalized and posted.

All payments and refundments have been regularly entered and posted in the appropriate books.

The payments made to officers by paymasters of the army, have been entered in the officers' and company pay-books of both the regular and volunteer service.

The property accounts of the Indian department have been posted upon the Indain property books.

In addition to the above, numerous letters, estimated at two hundred thousand, at least, have been written, acknowledging the receipt of claims, and embracing correspondence generally with claimants and agents in relation to claims.

A comparison of this report with that for the preceding year, shows an increase in the amount of money accounts settled during the past year of $68,252,913 07, and in the number of 66,314; yet the labor employed has not been equal to the current demands upon this bureau. The increase of business has been unprecedented, much beyond reasonable anticipation. It is attributable mainly to the activity and energy that have characterized military operations during the period, and to the very large number of officers who have been mustered out by reason of the expiration of their term of service, disability, and for other causes.

The examination of the property returns of such officers, embracing ordnance and ordnance stores, clothing, and camp and garrison equipage, with which they have been charged, and the adjustment of their accounts, to enable them to secure pay for their services, has become a branch of great importance and labor within the past year. It has been impossible to detach a single clerk from any other branch to increase the force upon this, and want of room has prevented the employment of additional clerks. The new building recently assigned to this bureau, and to which the officers' property branch will be transferred, permits the employment of all the clerks allowed by existing laws, but is not large enough to accommodate the number necessary to perform the labor imposed upon this single branch, which will require at least one hundred men. It is understood that more than twice this number is employed in making the administrative examination of property returns before they are transmitted to this bureau.

A similar disability exists with reference to the settlement of paymasters' accounts, and the interests of the government require that sufficient room, in a suitable fire-proof building, shall be furnished at an early day for the accommodation of a force of competent clerks, large enough to secure a prompt settlement of these accounts.

In presenting an estimate for an additional force to be provided, for the fiscal year ending June 30, 1865, regard has been had only to the existing necessities of this bureau—what is absolutely required to meet present demands upon it. The number of second and third class clerkships asked for seems to be large, but relatively the proportion of such grades will be found to be much smaller than is usual in accounting offices, where capacity, industry, and fidelity are required. In view of the character of the duties to be performed when but twenty-one clerks besides the chief clerk were sufficient to execute the work of this bureau, there were eleven of the third class, seven of the second, and but three of the first; and the compensation then given was regarded as but a fair equivalent for the services to be rendered. In a time of peace, when the business to be settled and adjusted in the office was transacted mainly by officers thoroughly educated and trained in their duties, and when there were no unusual inducements to fraudulent practices, no more integrity was required and less acuteness, industry, and patient investigation were needed than the public interests now demand of those employed in settling the army accounts. The government needs the most faithful, intelligent service, and should pay a sufficient compensation to secure it. It cannot afford to be outbid by private enterprise in the employment of clerical ability. This bureau has suffered the

loss of several valuable gentlemen, because merchants, bankers, and others, were willing to pay them more than they could receive in the highest grade clerkship, or would employ them where their expenses of living would be materially diminished. Unless some remedy is provided, it is to be feared that others will follow their example, especially some of those having families to support, many of whom are now filling but first class clerkships.

While it is apparent that the demand for experienced accountants is increasing, and that owing to the increased expenses of living and other causes the actual compensation now paid to a clerk is of less value to him by one-half than it was two years ago, it seems to be both just and necessary that a temporary increase of pay should be allowed to all clerkships, and it is respectfully recommended to your consideration, in the hope that the measure will meet your approval and recommendation to the attention of Congress.

I am, sir, with great respect, your obedient servant,

E. B. FRENCH, *Auditor.*

The SECRETARY OF THE TREASURY.

REPORT OF THE THIRD AUDITOR OF THE TREASURY.

TREASURY DEPARTMENT.
Third Auditor's Office, October 20, 1864.

SIR: I have the honor to submit the following report of the business transacted in this office during the fiscal year ending June 30, 1864.

The total amount of requisitions drawn on the Secretary of the Treasury in favor of sundry persons during the fiscal year ending June 30, 1864, is	$431, 857, 105 15
REPAYMENTS.	
Amount of counter requisitions	572, 546 57
	431, 284, 558 58

The following is a summary statement of the amount involved in the accounts and claims which have been adjusted and settled during the year, viz:

Quartermasters' accounts	$108, 319, 460 78
Commissaries' accounts	95, 084, 540 77
Pension agents' accounts	1, 642, 748 69
Engineer accounts	1, 258, 070 43
State claims for reimbursement	5, 076, 236 02
Miscellaneous claims	1, 048, 293 96
Oregon Indian war claims	233, 576 61
Steamboat claims	447, 583 3'
Horse claims	41, 652 57
	213, 152, 163 14
It will appear from the above that the amount drawn through this office from the treasury was	$431, 284, 558 58
And the amount of accounts settled	213, 152, 163 14
Showing an excess of	218, 132, 395 44

unsettled over amount drawn from the treasury—more than one-half the amount drawn through this office during the year being still unsettled.

The rapid accumulation of accounts and claims will more fully appear from the following detailed statement of the business in the several divisions of the office:

QUARTERMASTERS' DIVISION.

From the 1st of July, 1863, to the 30th of June, 1864, there were received and registered 3,548 quartermasters' accounts, involving an expenditure of $228,621,606. During the same period 1,046 accounts were settled, involving an expenditure of $108,319,460 78, leaving at the end of the fiscal year, June 30, 1864, 2,977 unsettled accounts, as follows, viz:

Remaining unsettled June 30, 1863	475
Received during the fiscal year	3,548
Total	4,023
Deduct the number settled as above	1,046
Total number unsettled	2,977

involving $182,381,782 34.

Nearly all the above accounts are accompanied by property returns, showing the purchase, application, and expenditure of the public property in the military service, which are settled conjointly with the money accounts. 3,978 additional property returns, unaccompanied by money accounts, have been received during the year, of which 1,951 were settled, leaving 2,577 unsettled at the close of the fiscal year ending June 30, 1864, as follows, viz:

Remaining unsettled June 30, 1863	550
Received during the fiscal year	3,978
Total	4,528
Deduct the number settled as above stated	1,951
Total number unsettled	2,577

COMMISSARIES' ACCOUNTS.

From the 1st of July, 1863, to the 30th of June, 1864, there were received and registered 6,586 commissaries' accounts, involving an expenditure of $124,393,717 79. During the same period 1,458 accounts were settled, involving an expenditure of $95,084,540 77, leaving at the end of the fiscal year, June 30, 1864, 6,309 unsettled accounts, as follows, viz:

Remaining unsettled June 30, 1863	1,181
Received during the fiscal year	6,586
Total	7,767
Deduct the number settled as above stated	1,458
Total number unsettled	6,309

involving $49,469,715 27.

Nearly all of the above accounts are accompanied by provision returns, which are settled conjointly with the money accounts, showing the receipt and disposition of the provisions used in the public service.

PENSION AGENTS' ACCOUNTS.

From the 1st of July, 1863, to the 30th of June, 1864, there were received and registered 366 accounts of agents for paying pensions, involving an expenditure of $2,975,213 48. During the same period 290 accounts were settled,

involving an expenditure of $1,642,748 69, leaving at the end of the fiscal year June 30, 1864, 120 unsettled accounts, as follows, viz:

Remaining unsettled June 30, 1863	44
Received during the fiscal year	366
Total	410
Deduct the number settled as above	290
Total number unsettled	120

involving $1,465,203 48.

In addition to the above, 204 pension claims were received, and 146 settled, involving $10,400 22. Sixty-seven claims were returned for amendment.

ENGINEER ACCOUNTS.

From the 1st of July, 1863, to the 30th of June, 1864, there were received and registered 311 accounts, involving an expenditure of $1,160,286 37. During the same period 175 accounts were settled, involving an expenditure of $1,258,070 43, leaving, at the end of the fiscal year, June 30, 1864, 162 unsettled, as follows, viz:

Remaining unsettled June 30, 1863	28
Received during the fiscal year	311
Total	339
Deduct the number settled as above stated	175
Total number unsettled	164

involving $441,872 32.

STATE CLAIMS.

Under the act of July 27, 1861, to reimburse the States for expenses incurred by them in "enrolling, subsisting, clothing, supplying, arming, equipping, paying, and transporting" their troops "employed in aiding to suppress the present insurrection against the United States," the amount of the claims unsettled at the end of the last fiscal year was $18,107,921 66. From the 1st of July, 1863, to 30th June, 1864, there were received and registered thirteen additional claims, involving $1,564,970 40, and during the same period there were audited and reported to the Second Comptroller claims of New Hampshire, Ohio, Connecticut, Massachusetts, and Maine, admitting to their credit an aggregate of $5,076,236 02. The claims of New York, Kentucky, Minnesota, Iowa, and Indiana are undergoing examination, and will be reported to the Second Comptroller as early as practicable. Others have been temporarily laid aside, awaiting additional information or evidence from the State authorities.

MISCELLANEOUS CLAIMS.

From 1st July, 1863, to 30th June, 1864, there were received and registered seven hundred and fifty-five claims, in six hundred and twelve of which the aggregate amount claimed is $1,447,324 34, and in the remaining one hundred and forty-three no sums are stated. During the year, forty-four were referred elsewhere for adjudication, fifty-nine were withdrawn or returned to claimants, three were disallowed, and four hundred and fourteen settled, involving an aggregate of $1,058,039 62.

OREGON WAR CLAIMS.

The number of claims filed under the special act of Congress approved March 2, 1861, was eight hundred and one, in four hundred and seventy-nine of which the sum of $124,967 80 was claimed, and in three hundred and twen

ty-two the amount claimed was not stated. The number of claims acted on was two thousand three hundred and twenty-one; number of awards made, eight hundred and eighty-two; amount awarded, $232,694 01.

STEAMBOAT CLAIMS.

The number of claims for the loss or destruction, while in the military service of the United States, of steamboats and other vessels, and railroad engines and cars, under 2d section of act approved March 3, 1864, and 5th section of act approved March 3, 1863, filed during the fiscal year, was eighty-four, being for thirty steamers, one ship, two brigs, two schooners, forty-seven barges, five freight cars, and one carriage. The amount claimed was $1,023,424 26. The number of claims acted on was fifty-two, on which thirty-eight awards were made, being for one locomotive, five freight cars, twenty barges, sixteen steamboats and one schooner. The amount claimed was $598,673, and the amount allowed was $445,053 31. Fourteen claims, amounting to $109,002 04, being for three steamboats, fourteen barges, one ship and one brig, were rejected, as not coming within the provisions of the law.

HORSE CLAIMS.

From July 1, 1863, to June 30, 1864, there were received and registered 2,453 claims, involving the sum of $388,487 21. During the same period 209 awards were made, involving an expenditure of $41,652 57. The sum of $6,052 85 was disallowed on these claims. Eighty-six claims were rejected, on which $13,048 was claimed. The number of unsettled claims is as follows:

Remaining unsettled June 30, 1863	1,678
Received during the fiscal year	2,453
Total	4,131
Deduct the number settled, as above stated	295
Total number unsettled	3,836

involving $625,000.

COLLECTION DIVISION.

The duties of this branch are to prepare transcripts for suit, superintend the collection of balances due from officers who have ceased to disburse, and conduct the correspondence connected therewith.

During the year considerable correspondence has been had with sureties and delinquents, but no suits have been commenced. The cases of resignation, &c., notified from the War Department, and registered, number 940, and the total amount of indebtedness outstanding on June 30, 1864, is $61,420,458 09. In many cases the sums which go to make up this aggregate will be largely reduced by the official statements which will be prepared and sent to the Second Comptroller as early as practicable. In some cases of delinquency, correspondence has been had with the sureties of the delinquent party, and settlements made.

RECAPITULATION.

It will be seen from the foregoing that the number of unsettled accounts on June 30, 1864, was as follows:

Quartermasters', "money"	2,977	$182,381,782 34
Quartermasters', "property"	2,577	
Commissaries', "money"	6,309	49,469,715 27

Pension agents,' "money"	120	$1,465,203 48
Engineers,' do	164	441,872 32
State claims		14,596,656 04
Miscellaneous claims	486	425,682 27
Steamboat claims	54	749,829 67
Horse claims	3,836	625,000 10
	16,523	250,155,741 49

Sixteen thousand five hundred and twenty-three unsettled accounts and claims, amounting to two hundred and fifty million one hundred and fifty-five thousand seven hundred and forty-one dollars and forty nine cents.

On the 30th of September last the number of unsettled accounts and claims was largely increased, as will be seen by the following statement. There were, at that date—

3,585	quartermasters' money accounts	$258,365,386 74
4,571	quartermasters' property returns	
1,251	signal property returns	
6,649	commissary accounts	67,412,643 57
168	pension agents	1,734,764 21
113	engineer	1,415,310 78
	State claims	14,925,727 84
630	miscellaneous claims	1,011,540 74
4,249	horse claims	692,896 47
48	steamboat claims	884,092 34
21,274		346,442,362 69

Twenty-one thousand two hundred and seventy-four unsettled accounts and claims, involving the sum of three hundred and forty-six million four hundred and forty-two thousand three hundred and sixty-two dollars and sixty-nine cents.

The act of July 17, 1862, "to provide for the more prompt settlement of the accounts of disbursing officers," requires accounts to be rendered monthly to the treasury within ten days after the expiration of each successive month.

Under this act there were received at this office 7,017 quartermasters' accounts, 9,416 commissary accounts, 661 signal accounts, and 71 engineer accounts. This act provides that in case of the non-receipt at the treasury of any accounts within a reasonable and proper time, the officer whose accounts are in default shall be required to furnish satisfactory evidence of having complied with the provisions of the act. In case of failure to transmit his accounts he shall be deemed a defaulter. During the year, 3,391 quartermasters, 2,998 commissaries, 63 engineers, and 27 pension agents were reported to the Second Comptroller as delinquent. It is not exactly correct to say that this number of officers have been reported as delinquent, the same officers having been reported for successive months. Nearly all of those who have been reported have rendered satisfactory explanations. In many instances it was shown that during active operations in the field it was impossible for disbursing officers to have necessary leisure to make up and forward their accounts within the period required by the law. During the quarter ending September 30, the number of monthly accounts received, under this act, was 2,965 quartermasters', 3,155 commissary, 455 engineer, 117 pension agents', 30 provost marshal, 18 signal, and 8 secret service accounts. These accounts, except those of agents for paying pensions, have been referred to the appropriate military bureaus for adminis-

trative examination, and will be ultimately returned to this office for settlement, thereby increasing the number of unsettled accounts on our already overloaded shelves. A number of these accounts, especially those of quartermasters, are quite large, containing many vouchers, each of which requires careful scrutiny before being passed to the credit of the disbursing officer.

In view of the steady increase of accounts and claims filed in this office, and the importance of effecting early settlements, not only to the government, but as a matter of strict justice to faithful and laborious disbursing officers, I respectfully recommend that Congress grant authority to add five clerks of class four, fifteen clerks of class three, thirty clerks of class two, and fifty clerks of class one to the force of this office, to enable it to clear off accumulations and keep up the current business of the office. The importance of early settlements will be understood, when it is known that disbursing officers are constantly resigning and being dismissed from the service, with large balances of government funds in their hands, a considerable portion of which is liable to be lost to the government unless this office has sufficient clerical force to keep up with the work as it comes in.

The increased force asked for is not deemed too great to accomplish this desirable result. Should it be granted, the appropriation for contingent expenses of the office will necessarily have to be proportionately increased to provide the additional desks, furniture, &c., required for their use.

Respectfully submitted.

ELIJAH SELLS, *Third Auditor.*

Hon. W. P. FESSENDEN,
Secretary of the Treasury.

REPORT OF THE FOURTH AUDITOR OF THE TREASURY.

TREASURY DEPARTMENT,
Fourth Auditor's Office, October 4, 1864.

SIR: I respectfully submit a statement of the operations and business of this office during the fiscal year ending June 30, 1864. Immense as was the increase of the transactions of the bureau over all former periods during the fiscal year of 1863, it will be seen that during the fiscal year of 1864 they have been very much greater in amount and importance. They relate, too, to an arm of public service which, under the direction of such men as Farragut, and other naval heroes, whose fame the world will not "willingly let die," has contributed inestimable benefits to the republic during the vile and causeless warfare waged upon it by traitors and slavemongers. Such being the paramount character of the business of the office, I shall endeavor to give as complete a view of its transactions during the last fiscal year as can be done with a due regard to brevity.

There has been transmitted to the Second Comptroller for his revision and approval 11,504 accounts, comprising every species of naval expenditure, from the rations of a marine and the prize money of a sailor, to the pay of an admiral and the cost of a monitor.

The correspondence of the office has been very large. The number of letters received during the past fiscal year was forty-five thousand two hundred and fifty-five, (45,255,) and the number of letters sent out amounted to forty-eight thousand three hundred and forty-nine, (48,349.) The distribution and increase of this correspondence is exhibited by the following tabular statement:

Number of letters received and sent out during the fiscal year ending June 30, 1864.

	Letters received.	Letters sent.
July, 1863	2, 578	2, 497
August, 1863	2, 683	3, 319
September, 1863	2, 968	3, 180
October, 1863	3, 501	3, 645
November, 1863	3, 513	3, 294
December, 1863	3, 878	4, 158
January, 1864	3, 876	4, 081
February. 1864	4, 145	4, 009
March, 1864	4, 521	4, 527
April, 1864	4, 611	5, 383
May, 1864	4, 458	4, 875
June, 1864	4, 523	5, 381
Total	45, 255	48, 349

The number of requisitions drawn on the treasury was two thousand six hundred and sixteen, (2,616,) covering an amount of $96,497,071 74. The refunding requisitions were three hundred and twenty-two, (322,) covering an amount of $2,133,233. The number of transfer requisitions were one hundred and sixty-six, (166.)

The number of general claims on hand July 1, 1863, were five hundred and fifty, (550,) and the number received during the year were two thousand two hundred and twelve, (2,212,) making a total of two thousand seven hundred and sixty-two, (2,762.) The number of claims adjusted were one thousand eight hundred and twenty, (1,820,) leaving on hand July 1, 1864, nine hundred and forty-two, (942.) The aggregate amount of claims adjusted was $212,947 85.

Reports have been made upon eleven (11) bounty land cases.

Thirty-three (33) pension cases have been adjusted.

Eight (8) applications for admission to the Naval Asylum have been carefully investigated and decided.

The adjustment of all these claims is difficult and intricate. This arises from the fact that they are of almost every conceivable character, and that they are controlled by a vast number of laws passed by Congress for the government of the navy, at different periods and under different circumstances, the enactments being often modified, repealed, and sometimes again re-enacted, so as to require, on the part of those engaged in this duty, not only competent experience, but good judgment, quick perception, and a faculty to seize on all those circumstances which can facilitate the business and lead to the prevention of unwarrantable allowances. It has been the aim of the office to exercise the greatest care in giving to all its maritime defenders their utmost dues, but at the same time to protect the government from all spurious and unfounded claims.

The number of navy pension agents' accounts settled was one hundred and twelve, (112,) the disbursements aggregating $175,146 59.

There were twenty (20) reported accounts under the act of April 6, 1838, and August 23, 1842, for unclaimed pensions, amounting to $3,111 16.

There have been registered seventy-one (71) requisitions for navy pensions, embracing $184,345 48.

There have been journalized and posted one hundred and thirty-two (132) pension accounts.

Seventy-three (73) general accounts, deceased officers' and men's accounts of the United States marine corps, amounting to $8,667 52, have been adjusted.

In the very important division devoted to the settlement of the accounts of navy agents, the average number of clerks employed was four, (4,) the number of accounts reported to the Second Comptroller twenty-five, (25,) embracing an amount of expenditures reaching the sum of $19,416,737 45 for the seven officers engaged in these disbursements. But the accounts are not only enormous in amount, but of very great extent in their items, and of extraordinary complexity in their character, requiring for their correct adjustment an amount of experience, knowledge, patience, care, and industry which can only be appreciated by those employed in the labor, or by those who give it the most careful supervision. In order to examine and adjust the accounts named above, as an instance of one item of labor, I may mention that the vast number of one hundred and fifty thousand nine hundred and sixty-eight (150,968) vouchers had to be critically scrutinized and passed.

The settlement of paymasters' accounts, like those of navy agents, is another very important branch of the service performed in this office. The following tabular statement will exhibit the operations of this division during the past fiscal year:

Total number of accounts received and settled in the Paymasters' department from July 1, 1863, *to June* 30, 1864, *with the amount of cash disbursed in those settled, and the number of letters written in relation to the same.*

		Number of accounts received.	Number settled.	Cash disbursed.	Number of letters written.
1863.	In July	18	6	$165,045 47	248
	In August	19	5	181,404 23	230
	In September	20	14	2,383,912 17	210
	In October	32	10	427,349 84	323
	In November	24	13	3,908,563 66	283
	In December	24	19	786,963 31	288
1864.	In January	32	15	954,823 57	334
	In February	32	21	2,163,176 16	325
	In March	24	14	339,728 52	264
	In April	27	15	1,290,445 22	241
	In May	22	17	1,343,179 89	183
	In June	18	35	1,688,689 67	207
	Total	292	184	15,633,291 71	3,136

I beg leave respectfully to remark, that the simple statement as shown by this tabular exhibit affords really but a very superficial view either of the amount of labor required in the settlements made as reported, or of the money involved in the business. The amount of cash reported in this statement is simply that which is *paid out* by the paymasters; but over and above what is strictly a cash disbursement, there are other sums embraced in the settlement of every account, in many cases greatly exceeding the amount of cash payments, all of which have to be properly arranged and disposed of in the settlement. These arise

from advances and allotments paid by navy agents, overpayments to and from other paymasters, clothing and small stores received, issued, and transferred, hospital fund, &c., &c.

It is also a matter of much importance in reaching anything like a just estimate of the labor and care necessary in the settlement of a paymaster's account, to consider the fact that in a single settlement there is also embraced the settlement of each man's account whose name is borne upon the rolls of the vessel or station being settled, ranging from one hundred to four thousand, and that in the examination of each one of these accounts there are twenty-two columns, in which entries of debit and credit are made, each one of which has to be examined as to its correctness, and to be balanced. The adjustment of the allotments, which occupy but one of the twenty-two columns on the pay-roll, require much labor and investigation. Each quarterly account of the navy agents paying the allotments has to be examined, and the monthly payments to the persons in whose favor they are granted carefully selected out from entries ranging sometimes from one to twelve thousand vouchers. When these things are considered, it will be apparent that the proper settlement of paymasters' accounts of the navy requires the very best clerical ability which can be obtained, and that none but good and reliable men ought to be employed upon them. Such men, of course, it is difficult to procure, unless the compensation is sufficient to secure them.

The labor of the clerk devoted to marine accounts is exhibited in the following statement:

Accounts of the paymaster of the marine corps.

Fourth quarter 1862, amount involved		$57,591 08
First quarter 1863,	do.	76,464 00
Second quarter 1863,	do.	81,242 40
Third quarter 1863,	do.	112,097 87
Fourth quarter 1863,	do.	85,904 92

Accounts of the quartermaster of the marine corps.

Fourth quarter 1862, amount involved		113,347 64
First quarter 1863,	do.	68,179 58
Second quarter 1863,	do.	83,658 23
Third quarter 1863,	do.	134,970 69
Fourth quarter 1863,	do.	101,996 37
Total		915,452 78

These accounts embraced not less than five thousand individual accounts of officers and privates, each of which required a separate examination and calculation.

In the allotment division there were received and registered eight thousand three hundred and sixty-four allotments. As it is by these the sailor makes provision out of his wages for his family, dependents, and creditors, the accuracy and promptitude with which the business is conducted affects many a mother and many a wife, as well as widows and children. In attending to these accounts, therefore, as well as *all* the accounts of sailors, every effort and every appliance of the office has been assiduously and unremittingly employed. As a proof of the beneficent operation of this important provision for sailors, I give the following table of the amount so disbursed during a year—the disbursement carrying comfort and gratitude to households scattered all over the Union:

Statement of amount paid for allotments by the several navy agents for the year 1863.

Isaac Henderson, navy agent, New York	$590, 532 95
E. L. Norton, navy agent, Boston	452, 002 12
James S. Chambers, navy agent, Philadelphia	324, 936 95
W. Pinkney Ewing, navy agent, Baltimore	74, 379 55
S. P. Brown, navy agent, Washington	59, 051 78
T. L. Tullock, navy agent, Portsmouth	55, 841 25
Richard Chenery, navy agent, San Francisco	2, 728 50
	1, 559, 473 10

The captures and brilliant exploits of our gallant navy have made the division of prize money, in this office, one of vast importance and of vast extent. The number of claims received were twenty-one thousand two hundred and thirty-four (21,234,) and the number settled were nineteen thousand seven hundred and thirty-seven (19,737,) amounting to $2,999,951 10. The number of lists made up for distribution were four hundred and ninety-six, (496,) amounting to $3,843,517 64.

I am pleased to say that in disbursing the very large sum of prize money which has been distributed by this office, I have yet to learn of one dollar being paid to the wrong party. This is a great satisfaction, for it seldom happens that there is distributed in a single year, without some loss to the government, three millions of dollars, in sums of such various amounts and to so large a number of persons. The distribution of this money exerts such a salutary influence upon sailors, and is such an incentive to enlistments in the navy, that the government should exert all its power and influence to make the settlement of prize accounts as prompt as possible. No effort for that purpose has been spared in this office, and a cordial co-operation will continue to be given to those departments having charge of the earlier processes of the business. It is a fact that sailors are unwilling to re-enlist so long as they have prize claims unadjusted; and at this time, when confederate pirates are roving the seas in vessels built and armed in Britain, and sometimes even manned from thence, the full complement of men in our own navy is most desirable.

During a considerable portion of the last half of the year ladies have been employed in this office as copyists. They have discharged the duties assigned to them with intelligence, industry, and commendable zeal. In all these respects they have given entire satisfaction, and, in my judgment, their employment is attended with economy to the government, while, at the same time, it affords to a large and worthy class of persons that employment and compensation which are due to industry and merit.

The office fully realizes the necessity, and has made every reasonable effort to secure prompt and complete returns from disbursing officers, and, so far as it is within its jurisdiction, to guard against inefficiency or carelessness. I have endeavored, in cases of death, dismissal, or resignation, to have the accounts of such disbursing officers settled with as little delay as practicable, for the double object of security to the government as well as to sureties. In consequence of the expansion of the navy, and the unavoidable inexperience of many of those intrusted with disbursing public moneys, this latter class of accounts must continue to receive a large amount of attention from this office.

Among the additional labors of the office is the settlement of the accounts of naval storekeepers, the ascertainment of unpaid balances due to the government by its various maritime officers, and the adjustment of the property accounts of the marine corps. These are all matters which have been commenced during the closing portion of the past fiscal year, and are not yet in a state to

be reported. The work will be prosecuted with diligence, and both its amount and importance will greatly add to the already extensive labors of the office.

On the 1st of September, 1863, I issued a new digest of "Rules in regard to the transaction of business at the office of the Fourth Auditor of the Treasury." These rules were all thoroughly revised and re-written, and received many additions growing out of new exigencies and new demands of business. The same requirements already make it necessary to prepare a new edition, in which the whole matter will be recast and made commensurate with the present wants of the service. I hope soon to issue these rules more conveniently arranged, more complete in contents, and more explicitly written than they have ever yet been. To execute this work well is no easy task; but no endeavors will be spared to perform it in a useful and satisfactory manner.

The number of official reports furnished from the office during the past fiscal year is forty-seven.

In the internal working of the office many improvements have been instituted during the year, and it is not too much to say that in no department of the government has there been more promptitude in the transaction of business, or a greater amount of labor performed by a similar number of clerks. It gives me pleasure again to bear testimony to the loyalty of the clerks, and also, with *very* few exceptions, to their fidelity, industry, and ability. I desire, likewise, to mention particularly the assistance I have received from my chief clerk in endeavoring to manage its affairs so as to make it most conducive to the welfare of the government and all those having business with it. It is to be hoped that the enormous expenditures which have now to be examined and adjusted will soon be lessened by that final victory of freedom over slavery, and by that triumph of government and law over rebellion and anarchy, which is now so brightly promised, and on which the advancement and prosperity of this nation not only depend, but likewise those of the whole world.

In view of the faithful and competent services of the clerks of this office, and in view of the increase of expenses of all kinds and the state of the money market, I hope I shall be excused for suggesting that it would be a just exercise of congressional power to increase their rates of pay during the continuance of the war and the exigencies of the present times. I beg leave also to say, that after carefully observing the operation of the force of clerks of this office as now organized, and being more impressed with the justice of increased compensation for certain duties requiring eminent ability and fitness, I desire to suggest the propriety of a still further modification of the permanent corps of the office as follows: *twelve* fourth-class clerks; *twenty-five* third-class clerks; *twenty-three* second-class clerks; and *fifteen* first-class clerks.

I would not advise an increase of the *permanent* corps of clerks, as the present number will probably be found sufficient for times of peace; but if the war should continue, or if the operations of the office should increase in the same ratio as during the past fiscal year, additional aid from temporary clerks will undoubtedly be necessary.

In conclusion, permit me to state, that impressed as I am with the deserts of the meritorious class of persons whose accounts are settled in this office, and knowing the dangers to which Jack is exposed as soon as he comes ashore, I wish to have it known that every facility the office can afford will be given to sailors who either personally, or by letter, apply for payment of their wages or prize money. If there is any special solicitude in favor of any, I desire it may be for the humble, and for those who have neither power nor place to enforce their claims, but must rely on that beneficent and impartial justice which a great republic owes alike to all its citizens.

I have the honor to be, very respectfully, your obedient servant,

STEPHEN J. W. TABOR, *Auditor.*

Hon. W. P. FESSENDEN,
Secretary of the Treasury.

REPORT OF THE FIFTH AUDITOR OF THE TREASURY.

TREASURY DEPARTMENT, FIFTH AUDITOR'S OFFICE,
October 5, 1864.

SIR: During the fiscal year ending June 30, 1864, there were adjusted in this office, and transmitted to the Comptroller for his decision thereon, four thousand five hundred and ninety-three (4,593) accounts, and the number of letters written in relation to the business of the office was five thousand four hundred and thirty-one, (5,431.)

I have the honor to submit herewith the usual tabular statements exhibiting somewhat in detail the operations of the office.

In submitting this report, I cannot refrain from saying that, so far as the business of this bureau is concerned, the public service is deeply indebted to the gentlemen employed in the office for the ability, fidelity and despatch with which they have severally discharged the duties devolving on them.

I have the honor to be, sir, very respectfully, your obedient servant,

CHARLES M. WALKER, *Auditor.*

Hon. WILLIAM P. FESSENDEN,
Secretary of the Treasury.

SCHEDULE A.

Statement of expenses of all missions abroad for salaries, contingent expenses, loss by exchange from the 1st July, 1863, to the 30th June, 1864, as shown by accounts adjusted in this office, other than which may have been paid by the disbursing clerk of the Department of State.

Mission.	Salary.	Contingencies.	Loss by exch'ge.	Total.
GREAT BRITAIN.				
Charles F. Adams, minister.				
From 1st July, 1863, to 30th June, 1864.....	$16,993 00	$1,173 20		
C. L. Wilson, secretary of legation.				
From 1st July, 1863, to 30th June, 1864.....	2,564 24			
Benjamin Moran, assistant secretary of legation.				
From 1st July, 1863, to 30th June, 1864.....	1,473 00			
	21,030 24	1,173 20	.....	$22,203 44
FRANCE.				
William L. Dayton, minister.				
From 1st July, 1863, to 30th June, 1864.....	16,993 00	2,455 74	149 55	
W. S. Pennington, secretary of legation.				
From 1st July, 1863, to 30th June, 1864.....	2,564 24	.....	14 80	
W. L. Dayton, jr., assistant secretary of legation.				
From 1st July, 1863, to 30th June, 1864.....	1,473 00	.....	11 59	
	21,030 24	2,455 74	175 94	23,661 92

Statement of expenses of all missions abroad, &c.—Continued.

Mission.	Salary.	Contingencies.	Loss on exchange	Total.
RUSSIA.				
C. M. Clay, minister.				
From 1st July, 1863, to 30th June, 1864.....	$11,658 00	$1,232 14		
Bayard Taylor, secretary of legation.				
From 13th June, 1863, to 12th Sept., 1863...	441 00			
Henry Bergh, secretary of legation.				
From 1st July, 1863, to 30th June, 1864.....	2,006 29			
	14,105 29	1,232 14	.....	$15,337 43
PRUSSIA.				
N. B. Judd, minister.				
From 1st July, 1863, to 30th June, 1864.....	11,658 00	529 80	190 46	
H. Kreismann, secretary of legation.				
From 1st July, 1863, to 30th June, 1864.....	1,764 00	.....	27 67	
H. Kreismann, as chargé d'affaires.				
From 22d October to 28th December, 1863. ..	746 13			
	14,168 13	529 80	218 13	14,916 06
AUSTRIA.				
J. L. Motley, minister.				
From 1st July, 1863, to 30th June, 1864.....	11,658 00	481 99		
G. W. Lippitt, secretary of legation.				
From 1st July, 1863, to 30th June, 1864.....	1,764 00	.....	10 04	
	13,422 00	481 99	10 04	13,914 03
MEXICO.				
Thomas Corwin, minister.				
From 1st July, 1863, to 30th June, 1864.....	11,658 00	226 00		
William H. Corwin, secretary of legation.				
From 1st July, 1863, to 30th June, 1864.....	1,764 00			
	13,422 00	226 00	.....	13,648 00
SPAIN.				
Gustavus Koerner, minister.				
From 1st July, 1863, to 30th June, 1864.....	11,658 00	830 96	234 48	
H. J. Perry, secretary of legation and chargé d'affairs.				
From 1st July, 1863, to December 31, 1863, (1st and 2d quarters 1864 not received)....	1,745 56	621 75	173 23	
	13,403 50	1,452 71	407 71	15,263 92

Statement of expenses of all missions abroad, &c.—Continued.

Mission.	Salary.	Contingencies.	Loss by exchange	Total.
BRAZIL.				
J. Watson Webb, minister.				
From 1st July, 1863, to 30th June, 1864, (account for loss by exchange unsettled)	$11,658 00	$1,000 00		
W. M. Briggs, secretary of legation.				
From 1st April, 1863, to 17th June, 1864	2,142 00	.....	$19 48	
H. E. Milford, acting secretary of legation.				
From 15th April to 30th June, 1864	373 15			
	14,173 15	1,000 00	19 48	$15,192 63
CHINA.				
A. Birlingame, minister.				
From 1st July, 1863, to 30th June, 1864, (accounts not received)	11,658 00			
S. Wells Williams, secretary of legation and interpreter.				
From 1st July, 1863, to 30th June, 1864	2,443 00			
	14,101 00	.....	.....	14,101 00
BELGIUM.				
H. S. Sanford, minister.				
From 1st July 1863, to 30th June, 1864	7,293 00	1,561 88	65 50	
Aaron Goodrich, secretary of legation.				
Accounts unsettled, incomplete.				
	7,293 00	1,561 88	65 50	8,920 38
PERU.				
C. Robinson, minister.				
From 1st July, 1863, to 30th June, 1864	9,718 00	370 55	15 53	
Charles Easton, secretary of legation.				
From 1st July, 1863, to 30th June, 1864	1,473 00	.....	8 83	
	11,191 00	370 55	24 36	11,585 91
ITALY.				
G. P. Marsh, minister.				
From 1st July, 1863, to 30th June, 1864, (accouns not received)	11,658 00			
ireen Clay, secretary of legation.				
From 1st July, 1863, to 30th June, 1864	1,764 00			
	13,422 00	.....	.....	13,422 00

Statement of expenses of all missions abroad, &c.—Continued.

Mission.	Salary.	Contingencies.	Loss by exchange	Total.
TURKEY.				
E. Joy Morris, minister.				
From 1st July, 1863, to 30th June, 1864.....	$7,293 00	$2,395 18	$353 46	$10,041 64
SWEDEN AND NORWAY.				
J. S. Haldeman, minister.				
From 1st July, 1863, to 30th June, 1864.....	7,293 00			
From 1st July, 1863, to 31st March, 1864.....	.....	187 15	145 79	
	7,293 00	187 15	145 79	7,625 94
DENMARK.				
B. R. Wood, minister.				
From 1st July, 1863, to 30th June, 1864.....	7,293 00	348 76		
Less gain by exchange for same period.....	.....	13 07		
		335 69		
	7,293 00	335 69	.....	7,628 69
GUATEMALA.				
E. O. Crosby, minister.				
From 1st July, 1863, to 30th June, 1864.....	7,293 00	207 74	.....	7,500 74
SWITZERLAND.				
G. G. Fogg, minister.				
From 1st July, 1863, to 30th June, 1864.....	7,293 00	351 87	.....	7,644 87
PORTUGAL.				
J. E. Harvey, minister.				
From 1st July, 1863, to 30th June, 1864.....	7,293 00	1,015 73	117 83	8,426 56
PONTIFICAL STATES.				
R. M. Blatchford, minister.				
From 1st July, 1863, to 30th June, 1864, (accounts not received).....	7,293 00	.....	.....	7293 00
NETHERLANDS.				
James S. Pike, minister.				
From 1st July, 1863, to 30th June, 1864.....	7,293 00	471 17	.....	7,74 17

Statement of expenses of all missions abroad, &c.—Continued.

Mission.	Salary.	Contingencies.	L exchange	Total.
NICARAGUA.				
A. B. Dickinson, minister.				
From 1st July, 1863, to 30th June, 1864.....	$7,293 00	$637 40	$487 50	$8,417 90
NEW GRANADA.				
A. A. Burton, minister.				
From 1st July, 1863, to 30th June, 1864.....	7,293 00	104 75	.....	7,397 75
HONDURAS.				
T. H. Clay, minister.				
From 1st July, 1863, to 30th June, 1864.....	7,293 00	472 27	12 50	7,777 77
ARGENTINE CONFEDERATION.				
R. C. Kirk, minister.				
From 1st July, 1863, to 30th June, 1864.....	$7,293 00	111 47	148 03	7,552 50
CHILI.				
T. H. Nelson, minister.				
From 1st July, 1863, to 30th June, 1864.....	9,718 00	1,215 95		
C. S. Rand, secretary of legation.				
From 1st July, 1863, to 30th June, 1864.....	1,473 00			
	11,191 00	1,215 95	.....	12,406 95
PARAGUAY.				
C. A. Washburn, minister.				
From 1st July, 1863, to 30th June, 1864.....	7,293 00			
From 1st October, 1862, to 30th June, 1864..	.....	461 20		
From 1st October, 1862, to 31st Dec., 1863...	.....	.....	1,324 97	
From 1st January, 1864, to 30th June, 1864.	.....	.....	272 00	
	7,293 00	461 20	1,596 97	9,351 17
HAWAIIAN ISLANDS.				
J. McBride, minister.				
From 1st July, 1863, to 30th June, 1864.....	7,293 00	170 85	435 73	7,899 58
ECUADOR.				
F. Hassaurek, minister.				
From 1st July, 1863, to 30th June, 1864.....	7,293 00	344 38	406 17	8,043 55
VENEZUELA.				
E. D. Culver, minister.				
From 1st July, 1863, to 30th June, 1864.....	7,293 00	124 93	.....	7,417 93

Statement of expenses of all missions abroad, &c.—Continued.

Mission.	Salary.	Contingencies.	Loss by exchange.	Total.
COSTA RICA.				
C. N. Riotte, minister.				
From 1st July, 1863, to 30th June, 1864	$7,293 00	$225 37	$1,153 53	$8,671 90
SALVADOR.				
J. R. Partridge, minister.				
From 1st July, 1863, to 30th June, 1864	7,293 00			
From 1st July, 1863, to 31st March, 1864		323 75		
	7,293 00	323 75		7,616 75
HAYTI.				
B. F. Whidden, commissioner and consul general.				
From 1st July, 1863, to 30th June, 1864	7,293 00	97 95		7,390 95
BOLIVIA.				
From 22d May, 1863, to 31st March, 1864	6,872 24			6,872 24
BARING BROTHERS & CO., UNITED STATES BANKERS, LONDON.				
Loss by exchange on remittances made by the Treasurer from 1st July, 1863, to 30th June, 1864			35,131 99	35,131 99
Total				388,041 13

SCHEDULE B.

Statement of the amount of salaries, loss by exchange, and fees paid to and received from consular officers for the fiscal year beginning July 1, 1863, *and ending June* 30, 1864.

No.	Consulates.	Salaries.	Fees.	Loss in exchange.
1	Antigua, West Indies	$1,500 00	$109 10	$56 82
2	Amoor river, R. Asia	4,086 52	310 29	188 89
3	Algiers	1,500 00	10 00	91 66
4	Antwerp	2,500 00	2,213 78	
5	Amsterdam	1,522 48	486 15	25 77
6	Aix-la-Chapelle	2,500 00	2,673 54	
7	Ancona	1,120 00	8 29	105 08
8	Alexandria, Egypt	2,625 00	68 74	101 79
9	Athens	1,500 00	19 00	114 07
10	Amoy, China	2,250 00	240 98	
11	Apia, Navigator's islands			
12	Aux Cayes, St. Domingo	1,500 00	284 21	
13	Acapulco	2,000 00	1,839 79	
14	Aspinwall, New Granada	2,500 00	1,748 85	

Statement of the amount of salaries, &c.—Continued.

No.	Consulates.	Salaries.	Fees.	Loss in exchange.
15	Bristol	$1,875 00	$1,019 83	
16	Belfast	2,000 00	5,913 14	
17	Bay of Islands, New Zealand	500 00	42 94	
18	Barbadoes	750 00	384 15	
19	Bermuda	1,500 00	592 61	
20	Balize, Honduras	1,500 00	482 46	$28 07
21	Bordeaux	1,500 00	4,137 75	
22	Barcelona	1,500 00	214 67	105 13
23	Bilbao	1,500 00	3 50	127 83
24	Batavia	1,544 75	353 30	346 15
25	Bergen, Sweden	1,500 00	40 50	80 76
26	Bremen	3,000 00	2,528 00	
27	Basle	2,000 00	4,124 00	
28	Beyrut	2,000 00	39 80	78 73
29	Bahia, Brazil	1,500 00	224 07	
30	Buenos Ayres	2,000 00	3,886 66	
31	Cardiff, Wales	1,685 43	2,282 52	
32	Cork	2,000 00	486 22	29 27
33	Calcutta	6,250 00	4,423 08	1,285 28
34	Cape Town, Africa	1,125 00	195 86	661 34
35	Cadiz	375 00	79 22	
36	Curaçoa, West Indies	1,125 00	557 23	
37	Constantinople	3,000 00	210 91	247 27
38	Candia, Turkey	123 62		
39	Cyprus	1,000 00		79 16
40	Canton	3,000 00	540 68	435 00
41	Cape Haytien	1,250 00	279 71	149 60
42	Carthagena, New Granada	500 00	323 85	
43	Callao	875 00	349 80	
44	Cobija, Bolivia	500 00		
45	Dundee	2,000 00	4,116 69	
46	Demerara	2,113 77	434 97	
47	Elsinore	1,500 00	7 72	208 51
48	Funchal	1,500 00	18 46	74 93
49	Fayal	750 00	464 73	
50	Frankfort-on-the-Main	3,000 00	1,934 00	90 05
51	Foo-Choo	3,091 03	942 87	748 78
52	Genoa	1,500 00	665 42	41 53
53	Glasgow	3,000 00	6,438 71	
54	Geneva	1,389 93	435 00	12 73
55	Gaspé Basin, Canada East	1,500 00	8 87	285 56
56	Guayaquil	750 00	217 66	
57	Gottenberg	1,500 00	301 15	122 65
58	Galatza	1,524 50	3 41	152 47
59	Gaboon			
60	Guayamas, Mexico			
61	Hong-Kong	3,500 00	6,081 81	
62	Halifax	2,000 00	1,580 36	
63	Havre	6,000 00	3,699 95	90 13
64	Havana	1,500 00	1,686 42	
65	Hamburg	1,500 00	3,896 53	
66	Honolulu	4,000 00	2,418 34	36 92
67	Jerusalem	1,748 63	36 00	253 37
68	Kingston	2,000 00	554 45	223 14
69	Kanagawa	3,750 00	1,085 43	2,604 77

Statement of the amount of salaries, &c.—Continued.

No.	Consulates.	Salaries.	Fees.	Loss in exchange.
70	London	$7,500 00	$30,066 75	
71	Liverpool	7,500 00	24,331 64	
72	Leeds	2,000 00	4,906 75	
73	Lisbon	750 00	137 17	$30 95
74	Lyons	1,500 00	6,428 00	3 34
75	La Rochelle	1,112 78	539 50	236 44
76	Leipsic	1,500 00	5,982 50	
77	Leghorn	1,500 00	1,159 97	77 03
78	Lanthala, Fegee Islands	750 00	45	187 38
79	La Paz	1,125 00	307 61	
80	La Union	2,142 90	243 76	193 12
81	Laguayra	2,193 94	394 87	
82	Lahaina, Hawaiian Islands	2,250 00		1,158 97
83	Manchester	1,500 00	13,998 50	
84	Melbourne	3,000 00	742 57	241 50
85	Malta	1,500 00	139 99	100 33
86	Montreal	4,273 99	964 90	
87	Moscow	1,500 00	11 00	171 14
88	Marseilles	2,500 00	2,672 14	225 00
89	Martinique	1,500 00	338 80	25 32
90	Malaga	1,500 00	695 62	266 85
91	Matanzas	2,933 58	2,208 85	
92	Macao	1,125 00	157 41	210 17
93	Munich	1,000 00	491 00	
94	Messina	1,500 00	647 61	34 66
95	Monrovia	250 00	10 82	10 00
96	Mexico	1,000 00	169 00	
97	Matamoras			
98	Manzanillo	1,487 75	40 00	130 43
99	Maracaibo	1,125 00	340 75	
100	Montevideo	1,250 00	1,277 07	
101	Maranham	1,000 00	172 68	66 59
102	Mauritius	2,623 63	874 92	262 24
103	Naples	1,615 38	458 43	8 25
104	Nassau, New Providence	1,761 08	1,055 94	
105	Newcastle	1,500 00	1,170 80	5 12
106	Nice	1,500 00	100 50	88 85
107	Napoleon-Vendée	1,500 00	2 00	54 60
108	Nagasaki			
109	Ningpoo	6,750 00	479 43	7,285 79
110	Nantes	1,500 00	537 53	63 48
111	Odessa	2,000 00	115 00	262 63
112	Oporto	1,500 00	205 72	274 94
113	Otranto	1,500 00		63 59
114	Omoa	1,000 00	52 13	
115	Paris	5,000 00	33,377 75	
116	Prince Edward's Islands	1,500 00	213 17	25 71
117	Port Stanley, Falkland Islands			
118	Port Mahon	1,500 00	21 27	
116	Ponce, Porto Rico	1,500 00	415 27	
120	Paramaribo	1,500 00	328 99	813 87
121	Port au Prince	2,000 00	583 78	
122	Paso del Norte	577 34	45 00	
123	Panama	4,375 00	1,289 01	
124	Pernambuco	2,000 00	611 77	
125	Para	1,584 24	540 22	
126	Payta	375 00	270 81	
127	Pictou, Nova Scotia	1,500 00	645 17	
128	Palermo	1,500 00	791 89	33 69

Statement of the amount of salaries, &c.—Continued.

No.	Consulates.	Salaries.	Fees.	Loss in exchange.
129	Quebec	$1,500 00	$319 30	
130	Rio de Janeiro	7,500 00	2,986 49	$143 92
131	Revel	2,000 00	5 50	126 80
132	Rotterdam	2,000 00	1,724 97	220 52
133	Rio Grande, Brazil	415 76	69 26	37 80
134	St. John, New Brunswick	1,500 00	1,468 22	
135	St. John, Newfoundland	1,500 00	346 96	59 20
136	St. Petersburgh	2,000 00	639 74	181 76
137	St. Paul de Loando	500 00	91 33	27 90
138	St. Thomas	4,000 00	528 51	168 17
139	St. Domingo	750 00	79 94	52 17
140	St. Marc, Hayti			
141	St. Catherine	1,000 00	295 16	
142	Santander	1,500 00	51 57	123 26
143	Singapore	3,283 96	1,057 53	288 66
144	Santiago de Cuba	2,500 00	423 51	66 75
145	San Juan, Porto Rico	2,565 21	543 47	
146	Santiago, Cape de Verde	375 00	29 27	50 71
147	Santa Cruz	1,125 00	60 17	38 18
148	Stockholm	1,500 00	128 00	146 68
149	Stuttgard			
150	Spezia	1,000 00	15 20	25 56
151	Smyrna	2,000 00	6,188 56	81 52
152	Scio	1,499 95		258 66
153	Shanghai	2,000 00	1,840 46	
154	Swatow, China	2,638 42	87 04	535 32
155	San Juan del Norte	2,000 00	288 15	248 50
156	San Juan del Sur	2,538 04	228 45	
157	Sabanilla	500 00	218 50	
158	Santos	1,125 00	22 00	
159	Stettin	1,000 00	248 70	137 93
160	Southampton	2,000 00	131 24	415 69
161	Tehuantepec			
162	Tangiers	3,000 00		411 59
163	Trieste	2,000 00	465 34	785 49
164	Tampico	1,500 00	1,077 52	
165	Tabasco	1,125 00	57 23	
166	Trinidad de Cuba	2,500 00	345 56	1,512 74
167	Trinidad Islands	2,122 22	492 11	
168	Tripoli	1,500 00		
169	Tunis	4,500 00		74 25
170	Turk's Islands	2,000 00	553 84	
171	Tumbez	1,500 00	195 59	
172	Taranto	1,609 24		56 25
173	Tahiti	1,250 00	367 60	126 27
174	Talcahuano	2,000 00	1,181 94	
175	Valparaiso	3,244 56	1,645 93	
176	Vienna	1,500 00	1,840 50	
177	Valencia	1,500 00	361 63	
178	Venice	1,500 00	256 50	531 78
179	Vera Cruz	4,524 19	720 54	
180	Zanzibar	1,496 65	117 00	

Total amount of salaries for 180 consulates for the fiscal year ending June 30, 1864		$334,920 47
Loss in exchange		28,859 52
		363,779 99
Fees returned by consuls		254,218 34
Paid by United States treasury		109,561 65

REMARKS.

No.
2. No returns for the 2d quarter 1864.
5. Thirty days receiving instructions, twenty-two days making transit to his post, (Joseph E. Marx.)
8. Second quarter 1864 not received.
11. No returns.
17. Returns for 1st and 2d quarters 1864 incomplete.
18. No returns for the 2d quarter 1864.
21. Second quarter 1864 incomplete.
24. L. W. Tappan, one hundred and twenty-three days' transit to his post; no returns for the 2d quarter 1864.
31. C. D. Cleveland, from April 1 to April 20, twenty days' transit home; C. E. Burch, from March 1 to March 9, six days receiving instructions; from March 11 to March 29, 1864, nineteen days' transit to his post.
34. No returns for the 2d quarter 1864.
35. Accounts suspended; no returns.
36. No returns for the 2d quarter 1864.
38. J. H. Buxton, from April 7 to May 7, thirty days receiving instructions; no other returns.
40. No returns for the 2d quarter 1864.
41. Including excess of salary allowed.
43. The 4th quarter 1863 and 1st and 2d quarters 1864 suspended.
46. C. G. Hannah, from November 3 to December 4, 1863, twenty-six days receiving instructions; from January 7 to February 11, 1864, thirty-five days' transit to his post.
51. No returns for the 2d quarter 1864, including additional salary from November 13 to December 31, 1862, viz: $466.
54. C. H. Upton, from July 19 to August 7, 1863, twenty-nine days receiving instructions; from August 25 to September 22, transit to his post thirty days.
58. F. Wipperman, six days' additional salary in making transit to his post now allowed; no returns.
59. No returns.
64. No returns since September 30, 1863.
65. Returns incomplete for the 2d quarter 1864.
73. Accounts suspended for 1st and 2d quarters 1864.
75. In the 3d quarter 1862 three days deducted for absence; $211 82 loss in exchange on drafts drawn in 1861 and 1862.
76. Premium on draft, $24 41.
78. No returns for the 1st and 2d quarters 1864.
79. No returns for the 2d quarter 1864.
80. N. L. Wilson, salary from July 1 to September 16, 1863; J. W. Livingston, from November 1, 1861, to June 5, 1862, and from September 17 to December 31, 1863; no returns for the 2d quarter 1864.
81. From March 5 to April 14, 1864, forty-five days receiving instructions and transit to his post, (George Uhich.)
82. No returns for 2d quarter 1864.
84. No returns for 2d quarter 1864.
86. J. F. Potter, twenty-three days receiving instructions; six days' transit to his post, from June 20 to July 18, 1864.
87. Second quarter 1864 no returns.
91. A. G. Riddle, from October 5 to November 4, 1863, thirty days receiving instructions; from January 1 to January 20, 1864, twenty days making transit to his post: from April 7 to April 18, twelve days' transit home. H. C. Hall, salary from July 1 to December 31, 1863.
92. No returns for the 2d quarter 1864.
95. Balance of accounts from September 30, 1863, to June 30, 1864, suspended.
96. Salary from April 1 to March 31, 1864; the 2d quarter not received.
97. No returns from September 30, 1863, to June 30, 1864.
98. From August 13 to September 12, thirty days receiving instructions; from October 1 to November 1, 1863, thirty-one days' transit to his post, (William H. Blake.)

99. No returns for 2d quarter 1864.
102. Salary of W. R. G. Mellen from June 13 to September 30, 1863.
103. A. Hammett, salary from July 1 to September 17, 1863; J. T. Howard, from July 21 to August 17, 1863.
104. S. C. Hawley, from January 9 to February 3, 1863, receiving instructions, twenty-six days; from March 1 to March 7 making transit to his post, seven days; no returns since March 31, 1863; S. Whiting, from March 11 to March 24, thirteen days' transit home.
106. W. Slade, accounts suspended from January 1 to March 31, 1864.
108. Returns incomplete.
109. Second quarter for 1864 not received.
117. No returns.
120. $561 70 loss in exchange on drafts drawn in 1862 and 1863.
122. D. R. Diffenderffer, from February 25 to April 3, 1863, thirty-eight days' transit home; H. J. Cuniffe, salary from June 13, 1863.
123. Includes returns from April 1, 1863.
125. Second quarter 1864 not received.
126. Second quarter 1864 suspended.
130. Salary from April 1, 1863.
133. Salary from July 1 to November 30, 1863; no returns.
139. Returns incomplete.
140. Accounts suspended.
143. Isaac Stone, from March 19 to June 20, 1864, ninety-five days' transit to his post.
145. December 19 to December 30, transit to his post 12 days, (J. J. Hyde.)
146. Returns incomplete for 1st and 2d quarters 1864.
147. No returns for the 2d quarter 1864.
149. Accounts suspended.
153. Second quarter for 1864 not received.
154. From July 8 to November 30, 1863, one hundred and forty-six days' transit to his post, (J. C. A. Wingate.)
156. B. L. Hill, August 22 to November 1, 1863, seventy-two days' transit to his post.
158. No returns for the 2d quarter 1864.
161. No returns.
162. Accounts unadjusted.
165. Second quarter 1864 not received.
167. G. Hogg, salary from April 1 to June 13, 1863; E. H. Fitt, from June 14 to March 31, 1864; A. L. Humphrey, from April 7 to May 6, thirty days receiving instructions; from May 12 to June 7, thirty days making transit to his post.
168. First and 2d quarters 1864 not received.
169. Salary from January 1, 1863, to June 30, 1864.
172. From January 5 to February 19, 1863, forty-six days making transit to post, less twenty days absent without leave, (A. J. De Zeyk.)
173. Salary from January 1, 1863, to March 30, 1864; 2d quarter not received.
174. Salary from July 1, 1862, to June 30, 1863.
175. B. F. Hall, from July 18 to August 18, 1863, receiving instructions, thirty days.
179. M. D. L. Lane, from December 10 to December 31, 1862, twenty-one days waiting exequatur; salary from April 1, 1863, to June 30, 1864.
180. W. E. Hines, salary from November 4, 1863; W. S. Speer, additional transit to his post from December 16, 1861, to June 9, 1862.

SCHEDULE C.

Statement showing the several amounts disbursed by consular officers for the relief of destitute American seamen. Amounts of loss by exchange on said disbursements, and the amounts received by said consular officers as extra wages and money of discharged seamen, as appears from the adjustment of the consular accounts made in this office for the fiscal year ending June 30, 1864.

Consulate.	Disbursements.	Loss by exchange.	Receipts.
Aux Cayes	$21 00		
Antwerp	1,391 84		$1,491 00
Aspinwall	1,536 25		90 00
Acapulco	528 12		696 00
Alexandria	65 78		
Amoor river	22 40		165 00

SCHEDULE C—Continued.

Consulate.	Disbursements.	Loss by exchange.	Receipts.
Apia	$352 75		
Belfast	2 19		
Barcelona	72 83		$51 42
Bermuda	369 20		204 00
Batavia	2,060 14	$1,079 44	881 25
Bordeaux	183 28		54 00
Buenos Ayres	6,538 30		7,959 54
Barbadoes	182 66		180 00
Bremen	819 55		1,048 77
Bay of Islands, N. Z. (No returns for 1864)	48 29		36 00
Bahia	220 93		203 28
Bangkok	168 00		744 00
Bergen	61 27		
Bombay. (No return for second quarter 1864)	1,748 29		2,643 24
Bristol	46 93		
Cardiff	473 75		360 20
Curaçoa	364 00		546 00
Cork	860 88	10 19	365 76
Constantinople	188 55		165 14
Callao	11,031 47		1,973 00
Cadiz	3,283 70		36 00
Calcutta	8,002 41		13,125 74
Cape Town. (No return for second quarter 1864)	3,986 73		267 00
Demerara	508 42		
Fayal	4,526 89		1,496 00
Falmouth	51 30		72 60
Glasgow	229 96		163 91
Gaspé Basin	8 25		
Gottenberg	33 55		
Guayaquil	216 00		36 00
Genoa. (No return for second quarter 1864)	393 66		186 36
Gibraltar	121 35		107 80
Havre	1,357 82		1,660 09
Honolulu	37,643 61	19,065 97	7,848 00
Hong-Kong	1,119 32		1,801 86
Havana. (No return for 1864)	1,868 71		1,617 12
Halifax	243 05		
Hamburg	324 65		513 00
Hilo. (No return for second quarter 1864)	138 50		216 00
Hobart Town	183 44		36 00
Kingston, Jamaica	246 76		
Kanagawa	163 00		
Liverpool	27,821 22		41,167 60
London	1,091 91		87 00
Leeds	9 67		
Lahaina	30 00		72 00
Laguayra	10 50		
Marseilles	430 11		165 00
Matanzas	2,974 15		4,294 15
Malaga. (No return for second quarter 1864)	2,478 84		
Montevideo. (No return for second quarter 1864)	931 92		897 91
Mauritius	807 29		922 83
Melbourne. (No return for second quarter 1864)	351 30		234 71
Montreal	22 50		
Manzanillo	50 00		48 00
Mazatlan. (No return for 1864)	800 00		
Minatitlan	18 75		
Macao	6 00		59 20
Manilla. (No return for second quarter 1864)	772 00		55 21
Nantes	260 16		318 60
Nagasaki. (No returns for 1864)	941 50		900 00
Ningpo. (No returns for 1864)	80 00		120 00
Plymouth	96 84		
Payta	6,639 37	1,581 85	857 00

SCHEDULE C—Continued.

Consulate.	Disbursements.	Loss by exchange.	Receipts.
Paramaribo. (No return for second quarter 1864)	$221 22	.....	$97 00
Palermo	122 67	.....	.....
Pernambuco. (No return for second quarter 1864)	1,578 28	$141 91	899 55
Panama	788 90	.....	377 00
Port-au-Prince	135 77	.....	139 21
Quebec	36 11	.....	.....
Rio de Janeiro	778 00	.....	487 80
Rio Grande de Sul	25 98	.....	.....
Stockholm	39 64	.....	.....
St. Catherine, Brazil	188 00	.....	396 00
St. Helena	641 50	.....	762 74
Sierra Leone	27 40	.....	.....
Santiago, Verde islands	838 65	.....	36 00
Singapore	6,066 61	.....	5,477 74
Southampton	22 27	.....	.....
St. John, N. F.	146 99	.....	.....
Smyrna	85 90	.....	105 00
St. Paul de Loando	72 76	.....	72 60
St. John, N. B.	58 65	21 11	.....
Shanghai. (No return for 1864)	1,498 16	.....	6,215 93
St. Pierre, Miquelon	248 86	.....	.....
St. John, Porto Rico	52 25	.....	1 00
Sisal	140 00	.....	.....
Turk's Islands	612 89	.....	.....
Tumbez. (No returns first quarter 1864)	5,520 57	1,599 33	718 47
Talcahuano	10,477 60	.....	1,554 00
Teneriffe	229 64	.....	.....
Tahiti. (No returns for first quarter 1864)	1,394 04	.....	216 00
Trieste	325 77	.....	.....
Tabasco	36 00	.....	54 00
Tampico	157 87	.....	195 00
Valencia	100 20	.....	54 00
Valparaiso	9,846 37	.....	2,754 00
Vera Cruz	96 25	.....	.....
Victoria, V. I.	1,365 39	.....	4 00
Zanzibar	60 54	.....	54 00
Total	184,670 26	23,502 83	119,311 33

Amount of disbursements and loss by exchange	$208,173 09
Less receipts	119,311 33
Excess of expenditures at consulates	88,861 76

SCHEDULE D.

Extra wages and moneys refunded to seamen or their representatives directly from the United States treasury.

Estate of F. Ellsberg	$91 66
Do. S. W. Watson	100 00
Do. Ira Hubbell	59 02
Do. D. McKelvie	67 03
G. W. Bercely, wages refunded	90 00
W. R. Moorehead, " "	60 00
P. Cunningham, " "	60 00
E. McKeon, " "	60 00
T. E. Otis, " "	90 00
Chas. Davenport, " "	90 00
John Smith, " "	36 00
Total	803 71

Schedule E.

Statement of the number of destitute seamen sent to the United States, and the amount paid for their passage, from the following consulates, during the fiscal year beginning July 1, 1863, and ending June 30, 1864.

Consulates.	No. of seamen.	Amount.	Consulates.	No. of seamen.	Amount.
Aux Cayes	2	$20	Malaga	12	$130
Acapulco	5	50	Messina	4	40
Aspinwall	33	340	Matamoras	2	50
			Manzanillo	5	50
Barbadoes	10	100	Mauritius	4	40
Bermudas	23	969	Mayaguez	2	20
Batavia	5	650	Minatitlan	1	10
Bahia	44	940			
Baker's Islands	15	225	Nassau	14	190
			Nantes	1	20
Cardiff	19	190			
Cork	1	10	Paramaribo	2	16
Calcutta	42	420	Port-au-Prince	6	60
Cape Town	11	240	Panama	5	50
Cadiz	23	305	Pernambuco	59	920
Curaçoa	1	10	Palermo	4	40
Cape Haytien	2	25			
Callao	5	50	Rio de Janeiro	13	130
Cardenas	1	25	Rio Grande	2	20
Cayenne	2	20	Rocias Shoals	10	267
Demarara	17	230	Sidney, Nova Scotia	6	68
			St. John, New Brunswick	11	110
East Harbor	4	40	St. John, Newfoundland	8	112
			St. Thomas	21	317
Fayal	49	961	Singapore	5	50
			Santiago	20	230
Gibraltar	2	20	Santa Cruz	29	330
Genoa	1	10	Souris	3	30
Glasgow	3	30	Sisal	5	100
			Smyrna	3	30
Hong Kong	5	50	Shanghai	8	80
Halifax	12	115	St. Helena	16	160
Havre	3	30	Society Islands	5	50
Havana	53	486			
Honolulu	76	710	Trinidad de Cuba	1	10
			Trinidad Islands	1	10
Inagua	28	352	Turk's Islands	28	272
			Tumbez	2	20
Kingston	6	60	Tahiti	6	60
			Talcahuano	1	10
London	21	210			
Liverpool	17	170	Valparaiso	2	20
			Vera Cruz	5	80
Manilla	1	10	Victoria, Victoria Island	52	222
Mathewstown, Bahama	1	10			
Mazatlan	13	130		943	12,667
Marseilles	3	30			

Number of seamen, 943.
Amount paid by United States treasury, $12,667.
Number of seamen brought in foreign vessels, 216.

SCHEDULE F.

Statement showing the expenses incurred in the assessment of the excise tax in the several collection districts of the United States for the fiscal year ending June 30, 1864, exclusive of payments made to assistant assessors by collectors, and exclusive of expenses of blanks and stationery furnished to assessors and assistant assessors by the office of Internal Revenue at Washington, as appears from the accounts adjusted in the office of the Fifth Auditor of the Treasury.

District.	Salary.	Tax.	Net salary.	Clerk-hire.	Stationery.	Printing and advertising.	Postage and express.	Rent.	Total.
MAINE.									
1st district	$2,933 29	$69 98	$2,863 31	$1,037 50	$117 36	$118 63	$29 24	$240 00	$4,406 04
2d district	1,500 00	27 00	1,473 00	725 62	58 23	171 38	37 99	183 33	2,649 55
3d district	1,500 00	27 00	1,473 00	500 00	14 72	37 01	41 58	75 00	2,141 30
4th district	1,500 00	27 00	1,473 00	435 00	27 40	148 99	42 76	60 00	2,207 15
5th district	1,500 00	27 00	1,473 60	500 00	37 09	87 58	21 92	141 44	2,261 63
	8,933 29	177 98	8,755 31	3,218 12	255 40	563 59	172 49	699 77	13,665 67
NEW HAMPSHIRE.									
1st district	2,511 82	57 34	2,454 48	475 00	20 76	20 25	49 88	75 00	3,095 37
2d district	2,732 68	63 98	2,668 70	663 15	36 96	120 19	76 54	120 00	3,685 54
3d district	1,500 00	27 00	1,473 00	550 00	89 21	73 38	55 93	100 00	2,341 52
	6,744 50	148 32	6,596 18	1,688 15	146 93	213 82	182 35	295 00	9,122 43
VERMONT.									
1st district	1,500 00	27 00	1,473 00	214 50	13 55	56 54	46 10	95 00	1,898 69
2d district	1,500 00	27 00	1,473 00	225 00	15 01	53 37	40 68	142 66	1,949 72
3d district	1,500 00	27 00	1,473 00	350 00	72 47	103 81	83 47	51 25	2,134 00
	4,500 00	81 00	4,419 00	789 50	101 03	213 72	170 25	288 91	5,982 41
MASSACHUSETTS.									
1st district	3,570 41	84 61	3,485 80	2,278 05	173 08	191 25	121 96	358 33	6,608 47
2d district	4,091 63	104 11	3,987 52	3,069 33	122 87	386 29	132 49	457 88	7,792 63
3d district	3,000 00	72 00	2,928 00	4,333 50	9 73	251 74	108 02	500 00	7,651 24
4th district	3,852 87	97 09	3,755 78	2,772 65	238 20	199 75	18 66	587 50	7,572 54
5th district	3,990 01	101 12	3,888 89	1,150 88	119 50	287 13	226 15	183 33	5,855 88
6th district	4,330 40	109 71	4,220 69	1,204 47	114 72	74 00	78 29	123 75	5,815 92
7th district	3,763 97	94 47	3,669 50	1,261 75	56 30	124 21	108 16	90 00	5,309 92
8th district	3,000 00	72 00	2,928 00	1,578 91	38 80	139 87	50 57	475 00	5,211 19
9th district	3,121 43	75 49	3,045 94	1,450 00	60 13	72 66	85 55	200 00	4,914 28
10th district	4,220 19	108 25	4,111 94	2,510 92	116 76	176 92	186 35	175 00	7,277 89
	36,940 91	918 85	36,022 06	21,610 46	1,050 09	1,903 82	1,116 20	3,150 79	64,009 96

SCHEDULE F.—*Statement showing the expenses incurred in the assessment of the excise tax, &c.*—Continued.

District.	Salary.	Tax.	Net salary.	Clerk-hire.	Stationery.	Printing and advertising.	Postage and express.	Rent.	Total.
RHODE ISLAND.									
1st district	$4,222 78	$107 62	$4,115 16	$2,707 00	$25 81	$243 95	$19 67	$666 67	$7,778 26
2d district	3,543 57	83 50	3,460 07	1,103 00	57 57	115 01	53 50	221 33	4,326 35
	7,766 35	191 12	7,575 23	3,810 00	83 38	358 96	73 17	888 00	12,104 61
CONNECTICUT.									
1st district	4,184 89	104 94	4,079 95	700 00	122 33	114 07	19 00	141 25	5,176 60
2d district	3,865 78	97 40	3,768 38	1,398 00	127 05	70 92	99 07	183 33	5,151 73
3d district	3,649 69	90 04	3,559 65	845 00	80 18	55 50	34 65	512 20	5,087 48
4th district	3,422 53	79 44	3,343 09	710 17	15 00	91 00	106 98	50 00	4,316 24
	15,122 89	371 82	14,751 07	3,653 17	344 56	331 49	259 70	886 78	19,734 05
NEW YORK.									
1st district	2,625 00	60 75	2,564 25	1,325 00	2 24	171 49	86 69	216 66	4,366 33
2d district	4,574 57	114 50	4,460 07	4,679 55	79 50	296 34	48 62	866 07	10,430 75
3d district	*2,250 00	54 00	2,196 00	2,476 01	264 31	41 75	86 00	375 00	5,439 07
4th district	4,288 04	109 41	4,178 63	4,948 45	80 12	74 46	.....	583 33	9,864 99
5th district	3,442 37	84 81	3,357 56	4,188 00	617 75	152 76	51 25	375 00	8,742 32
6th district	4,127 53	104 75	4,022 78	3,901 97	294 51	329 85	.....	500 00	9,049 11
7th district	3,568 45	88 12	3,480 33	4,000 00	55 11	131 00	100 00	458 35	8,480 77
8th district	4,250 63	113 15	4,137 48	4,218 00	58 97	141 71	58 50	333 33	8,989 14
9th district	2,856 09	67 67	2,788 42	3,946 32	443 17	266 04	25 00	663 34	8,132 29
10th district	2,575 06	59 25	2,515 81	1,719 23	279 73	108 56	62 74	379 48	5,065 55
11th district	1,913 90	39 41	1,874 49	600 00	85 19	116 51	102 98	110 00	2,889 17
12th district	2,929 88	63 19	2,866 69	1,100 55	19 10	208 84	96 31	322 50	4,613 99
13th district	1,500 00	27 00	1,473 00	850 36	42 22	60 93	120 36	135 62	2,752 51
14th district	3,000 60	72 60	2,928 00	2,575 00	153 24	1,019 16	63 88	362 50	7,101 78
15th district	3,619 82	83 91	3,535 91	2,016 63	343 10	165 77	148 44	290 00	6,499 85
16th district	1,500 00	27 00	1,473 00	286 67	.....	65 97	90 31	28 50	1,944 05
17th district	1,500 00	27 00	1,473 00	.....	15 26	49 75	52 60	50 00	1,640 61
18th district	2,527 62	56 67	2,470 95	1,276 00	99 17	99 50	112 49	208 33	4,266 44
19th district	1,500 00	27 00	1,473 00	384 95	198 89	157 41	99 97	80 00	2,391 22
20th district	1,690 88	29 09	1,661 79	350 41	32 12	94 58	73 38	219 78	2,432 06
21st district	2,224 16	48 72	2,175 44	1,355 77	133 20	164 68	74 49	213 25	4,116 83
22d district	1,761 84	34 85	1,726 99	800 00	14 00	56 70	101 92	180 00	2,879 61
23d district	3,678 60	91 71	3,586 89	2,250 00	38 75	254 66	58 30	287 50	6,475 10
24th district	3,177 50	73 91	3,103 59	671 20	19 33	155 70	72 78	39 29	4,061 98
25th district	1,949 89	31 97	1,917 92	500 00	7 13	131 52	63 23	119 13	2,738 93
26th district	1,500 00	27 00	1,473 00	633 33	30 66	165 55	39 20	156 25	2,497 99

27th district	1,500 00	27 00	1,473 00	675 75	45 56	105 43	100 91	366 67	2,767 36
28th district	2,825 04	66 75	2,758 29	998 20	69 00	625 97	30 78	490 25	4,972 49
29th district	1,500 00	27 00	1,473 00	950 00	134 85	62 10	58 20	12 50	2,690 65
30th district	3,296 91	80 91	3,216 00	2,922 22	343 40	335 45	54 00	500 00	7,084 04
31st district	1,500 00	27 00	1,473 00	189 00	13 00	52 55	24 07	5 00	1,756 62
32d district	12,755 43	73 42	2,682 01	2,384 67	.....	428 07	65 00	625 00	6,184 75
	83,909 21	1,918 92	81,990 29	59,210 24	4,012 58	6,320 87	2,222 40	9,553 61	163,317 35
NEW JERSEY.									
1st district	1,500 00	27 00	1,473 00	450 00	72 30	189 30	118 10	100 00	2,402 70
2d district	1,500 00	27 00	1,473 00	800 00	375 44	281 37	144 92	229 17	3,303 90
3d district	2,979 59	71 39	2,808 20	1,000 00	88	116 20	160 41	366 66	4,532 35
4th district	2,388 58	47 68	2,291 90	1,000 00	118 27	76 08	150 12	250 00	4,119 61
5th district	4,332 88	109 30	4,223 49	2,958 32	134 75	95 13	51 75	374 00	7,975 41
	12,652 05	282 46	12,269 59	6,208 32	701 64	758 08	625 30	1,319 83	22,353 97
PENNSYLVANIA.									
1st district	4,255 43	109 41	4,146 02	4,373 79	571 22	269 53	.....	500 00	9,860 56
2d district	3,000 00	72 00	2,928 00	3,997 80	675 49	301 38	32 25	500 00	8,434 92
3d district	3,934 85	98 98	3,835 87	4,000 00	181 86	78 55	80 50	500 00	8,676 78
4th district	3,777 89	94 41	3,683 45	3,201 92	333 86	113 95	56 50	500 00	7,889 68
5th district	1,783 25	35 50	1,747 75	2,475 00	73 55	139 12	34 25	500 00	4,969 67
6th district	2,129 30	45 88	2,083 42	1,342 90	131 21	206 35	30 86	262 50	4,057 24
7th district	2,513 61	57 40	2,457 24	900 00	46 96	84 66	21 00	66 67	3,575 53
8th district	2,803 49	66 10	2,737 30	850 00	178 42	324 75	45 93	312 50	4,548 90
9th district	1,500 00	27 00	1,473 00	1,215 00	155 90	141 25	11 61	262 23	3,256 99
10th district	1,828 10	36 84	1,791 26	575 54	3 68	165 00	13 37	87 00	2,635 85
11th district	3,471 83	81 49	3,390 34	1,342 00	31 61	88 50	41 34	187 50	5,081 32
12th district	1,349 18	24 28	1,324 90	577 17	7 88	101 05	66 67	93 94	2,167 61
13th district	1,500 00	27 00	1,473 00	450 00	40 62	89 50	43 98	.....	2,097 10
14th district	1,500 00	27 00	1,473 00	598 61	142 99	231 80	65 54	100 00	2,611 94
15th district	1,500 00	27 00	1,473 00	500 00	82 26	71 00	61 37	140 00	2,330 63
16th district	1,500 00	27 00	1,473 00	344 50	5 30	62 25	55 09	50 00	1,989 14
17th district	1,500 00	27 00	1,473 00	479 75	31 15	226 00	51 66	93 75	2,358 31
18th district	1,500 00	27 00	1,473 00	400 00	.....	72 75	51 23	125 00	2,124 98
19th district	1,500 00	27 00	1,473 00	851 00	61 77	107 50	108 86	30 00	2,612 13
20th district	2,461 02	53 83	2,405 19	648 70	45 62	57 89	41 92	143 75	3,343 07
21st district	1,500 00	27 00	1,473 00	370 00	71 41	79 75	31 41	60 00	2,088 68
22d district	3,000 00	72 00	2,928 00	3,575 00	365 44	115 20	61 65	300 00	7,226 89
23d district	3,334 15	81 49	3,252 66	567 05	118 91	103 50	35 61	195 00	4,282 76
24th district	1,500 00	27 00	1,473 00	290 00	.....	41 25	36 99	50 00	1,891 24
	51,642 04	1,201 64	53,411 40	33,901 73	3,360 17	3,081 48	1,085 62	5,059 84	100,187 92
DELAWARE	2,138 30	46 15	2,092 15	1,032 06	167 06	177 12	133 24	.....	3,602 13

* To March 31, 1864.

† To December 31, 1863.

SCHEDULE F.—*Statement showing the expenses incurred in the assessment of the excise tax, &c.*—Continued.

District.	Salary.	Tax.	Net salary.	Clerk-hire.	Stationery.	Printing and advertising.	Postage and express.	Rent.	Total.
MARYLAND.									
1st district	$1,500 00	$27 00	$1,473 00	$450 00	$10 00	$179 34	$80 59	$100 00	$2,292 93
2d district	2,692 54	62 76	2,629 78	1,056 00	71 78	131 24	14 85	204 17	4,107 82
3d district	3,000 72	72 00	2,928 00	2,306 65	135 53	215 35	13 75	400 00	5,999 28
4th district	*1,500 00	27 00	1,473 00	300 00	48 82	67 50	14 13	48 00	1,951 45
5th district	1,834 41	37 03	1,797 38	500 00	33 49	48 00	47 25	50 00	2,476 12
	10,526 95	225 79	10,301 16	4,612 65	299 62	641 43	170 57	802 17	16,827 60
DISTRICT OF COLUMBIA	1,500 00	27 00	1,473 00	800 00	67 86	94 39	20 08	330 00	2,785 33
VIRGINIA.									
1st district	1,500 00	27 00	1,473 00	453 88	36 05	188 59	52 73	100 00	2,304 16
2d district	1,500 00	27 00	1,473 00	350 00	20 55	42 56	29 03	137 50	2,052 58
3d district	1,500 00	27 00	1,473 00	434 69	38 73	42 08	13 50	300 00	2,302 10
4th district	1,500 00	27 00	1,473 00	600 00	5 90	223 72	14 28	279 00	2,595 90
	6,000 00	108 00	5,892 00	1,838 57	101 23	496 80	109 54	816 50	9,254 74
KENTUCKY.									
1st district	1,500 00	27 00	1,473 00	1,050 00	.....	12 50	92 25	121 25	2,749 00
2d district	1,934 42	34 37	1,899 15	1,222 00	92 23	.....	89 08	75 00	3,377 46
3d district	4,088 31	104 64	3,983 67	1,143 50	312 80	102 76	62 18	250 00	5,854 91
4th district	3,516 00	80 81	3,435 19	1,466 98	110 45	74 60	72 04	273 50	5,432 76
	11,027 73	246 72	10,781 01	4,882 48	515 48	189 86	315 55	719 75	17,414 13
MISSOURI.									
1st district	4,259 51	109 41	4,150 10	3,228 36	734 77	510 10	75 75	756 68	9,435 76
2d district	3,021 92	43 65	2,978 27	394 25	91 02	196 75	110 58	108 00	3,878 81
3d district	3,272 40	80 08	3,192 32	956 20	42 40	145 22	148 52	525 00	5,009 66
	10,553 83	233 14	10,320 69	4,578 81	868 19	852 07	334 85	1,389 68	18,324 23
OHIO.									
1st district	4,864 46	119 62	4,744 84	2,725 00	373 20	172 12	25 00	835 00	8,875 16
2d district	3,000 00	72 00	2,928 00	846 00	157 32	55 50	15 00	169 63	4,171 45
3d district	3,807 65	91 43	3,716 22	855 00	213 38	123 62	70 81	170 00	5,148 03

4th district	1,500 00	27 00	1,473 00	495 00	46 50	130 25	41 98	100 00	2,286 73
5th district	1,500 00	27 00	1,473 00	563 50	22 77	183 75	36 73	140 00	2,421 75
6th district	1,500 00	27 00	1,473 00	619 44	117 35	66 50	105 56	70 83	2,452 73
7th district	3,000 00	71 99	2,938 01	775 00	58 32	210 35	111 59	220 00	4,303 27
8th district	1,576 26	27 85	1,548 41	369 78	21 94	83 75	66 43	42 50	2,132 81
9th district	1,805 06	30 37	1,774 69	744 75	65 53	205 50	93 03	100 00	2,983 59
10th district	2,243 03	47 30	2,196 67	650 00	----------	159 33	18 75	168 00	3,132 75
11th district	2,670 00	62 10	2,607 90	168 33	26 16	39 00	28 08	131 25	3,000 72
12th district	1,500 00	27 00	1,473 00	875 41	154 25	79 84	109 44	247 08	2,929 02
13th district	1,536 62	27 00	1,509 62	601 51	81 02	95 71	99 02	72 00	2,458 88
14th district	1,500 00	27 00	1,473 00	200 00	93 43	42 49	86 47	140 00	1,985 82
15th district	1,500 00	27 00	1,473 00	447 99	34 20	27 75	32 65	113 44	2,135 03
16th district	1,500 00	27 00	1,473 00	248 50	23 04	150 00	34 48	39 00	1,968 02
17th district	1,500 00	27 00	1,473 00	393 48	8 10	134 74	85 50	75 00	2,169 82
18th district	3,411 44	83 83	3,327 61	3,599 00	115 89	99 50	81 50	300 00	7,523 70
19th district	1,500 00	27 00	1,473 00	455 50	91 30	82 00	95 01	120 00	2,316 81
	41,414 52	876 49	40,538 97	15,635 19	1,703 70	2,140 72	1,237 03	3,183 73	64,386 09
INDIANA.									
1st district	1,500 00	27 00	1,473 00	930 00	20 40	84 00	36 86	114 05	2,658 31
2d district	1,500 00	27 00	1,473 00	652 31	109 75	132 10	57 32	62 39	2,477 87
3d district	1,500 00	27 00	1,473 00	559 00	134 05	48 50	76 72	96 00	2,333 27
4th district	3,204 22	80 36	3,123 86	520 00	40 25	101 65	124 63	65 26	4,065 65
5th district	1,500 00	27 00	1,473 00	498 50	82 08	73 15	86 68	112 16	2,325 57
6th district	1,500 00	27 00	1,473 00	298 00	52 65	354 49	27 50	250 00	2,461 64
7th district	1,878 00	33 78	1,844 22	525 00	41 15	337 92	41 84	50 00	2,840 13
8th district	1,500 00	27 00	1,473 00	549 52	25 85	182 35	49 77	174 00	2,454 49
9th district	1,500 00	27 00	1,473 00	217 24	----------	96 00	42 05	42 00	1,870 29
10th district	2,525 30	38 28	2,487 02	525 00	76 73	125 54	116 09	33 33	3,284 51
11th district	1,500 00	27 00	1,473 00	----------	26 90	65 00	58 02	71 25	1,694 17
	19,607 52	368 42	19,329 10	5,274 57	609 81	1,600 70	717 48	1,070 44	28,465 90
ILLINOIS.									
1st district	4,186 13	107 78	4,078 35	3,187 82	437 53	521 03	26 50	497 72	8,730 95
2d district	*2,010 82	32 73	1,978 09	463 50	103 94	292 81	44 41	147 33	3,030 08
3d district	1,500 00	27 00	1,473 00	450 00	143 64	167 60	104 13	220 49	2,558 86
4th district	3,054 48	72 59	2,981 89	400 00	9 35	44 25	35 25	51 00	3,521 74
5th district	3,000 00	72 00	2,928 00	869 00	62 20	177 83	117 84	128 47	4,283 34
6th district	1,500 00	27 00	1,473 00	559 00	90 40	98 75	118 08	200 00	2,539 55
7th district	1,500 00	27 00	1,473 00	803 00	50 70	118 75	121 01	120 00	2,686 46
8th district	2,791 89	65 76	2,726 13	650 00	46 94	91 75	48 30	112 50	3,675 62
9th district	1,500 00	27 00	1,473 00	666 85	46 65	115 75	27 80	84 00	2,414 25
10th district	1,500 00	27 00	1,473 00	325 00	10 00	13 00	46 49	90 25	1,957 74
11th district	2,122 44	36 44	2,086 00	227 19	47 71	155 85	180 27	76 00	2,873 02
12th district	1,207 41	21 73	1,185 68	207 00	103 70	56 50	39 67	66 75	1,659 30
13th district	1,500 00	27 00	1,473 00	87 65	10 35	27 50	41 35	105 00	1,744 85
	27,373 17	571 03	26,802 14	8,996 01	1,163 11	1,881 37	951 10	1,899 51	41,675 76

* To March 31, 1864.

SCHEDULE F.—*Statement showing the expenses incurred in the assessment of the excise tax, &c.*—Continued.

District.	Salary.	Tax.	Net salary.	Clerk-hire.	Stationery.	Printing and advertising.	Postage and express.	Rent.	
MICHIGAN.									
1st district	$3,000 00	$72 00	$2,928 00	$1,765 60	$310 89	$163 50	$42 50	$359 17	$5,569 59
2d district	1,500 00	27 00	1,473 00	783 70	156 64	90 50	173 12	206 25	2,748 21
3d district	1,500 00	27 00	1,473 00	712 50	153 86	77 05	94 23	112 50	2,623 24
4th district	1,500 00	27 00	1,473 00	300 00	16 34	47 50	56 62	30 00	1,923 46
5th district	1,500 00	27 00	1,473 00	362 66	53 73	45 00	55 08	60 00	2,049 47
6th district	1,500 00	27 00	1,473 00	450 00	23 09	67 25	55 76	34 19	2,103 29
	10,500 00	207 00	10,193 00	4,374 46	714 48	490 80	477 31	802 11	17,017 26
WISCONSIN.									
1st district	3,088 70	74 61	3,014 09	1,103 52	82 34	224 80	50 00	320 83	4,795 08
2d district	1,500 00	27 00	1,473 00	400 00	23 74	160 90	52 75	275 00	2,385 39
3d district	1,590 17	27 97	1,562 40	595 55	116 26	89 04	112 12	120 00	2,595 37
4th district	1,500 00	27 00	1,473 00	191 25	9 99	58 50	25 14	58 33	1,816 14
5th district	1,500 00	27 00	1,473 00	528 28	98 28	59 50	64 04	50 00	2,273 32
6th district	1,515 00	27 16	1,487 84	217 50	93 50	102 00	130 94	31 50	2,063 28
	10,694 07	210 74	10,483 33	3,036 32	424 04	694 74	434 99	855 66	15,928 58
IOWA.									
1st district	1,500 00	27 00	1,473 00	634 30	142 88	71 00	103 13	81 00	2,505 71
2d district	1,500 00	27 00	1,473 00	169 50	19 10	221 13	73 09	62 50	2,020 32
3d district	1,500 00	27 00	1,473 00	402 50	36 90	134 32	91 01	96 00	2,233 93
4th district	1,503 00	27 03	1,475 97	525 00	8 05	97 50	71 56	48 00	2,226 08
5th district	1,500 00	27 00	1,473 00	229 82	22 20	48 75	79 17	37 50	1,890 44
6th district	1,500 00	27 00	1,473 00	.....	6 02	57 00	165 00	240 00	1,881 00
	9,003 00	162 03	8,840 97	1,961 12	235 15	631 70	582 96	565 00	12,757 48
MINNESOTA.									
1st district	1,626 89	28 39	1,598 50	.....	42 37	140 50	47 81	75 00	1,904 28
2d district	1,500 00	27 00	1,473 00	524 00	34 20	162 65	50 47	.....	2,244 32
	3,126 89	55 39	3,071 50	524 00	76 57	303 15	98 28	75 00	4,148 60
KANSAS	2,477 16	41 80	2,435 36	956 00	98 62	402 15	63 71	420 00	4,375 84
CALIFORNIA.									
1st district	5,561 58	139 84	5,421 74	3,128 54	221 75	813 00	388 00	625 00	10,213 91
2d district	5,659 00	136 72	5,513 28	2,430 24	440 00	535 25	88 34	297 00	9,304 11
3d district	5,568 43	135 03	5,433 40	1,676 36	321 41	450 84	63 97	206 60	8,152 58

4th district	5,700 00	138 22	5,561 78	2,963 94	792 36	706 00	109 19	60 00	10,193 27
5th district	5,700 00	138 22	5,561 78	90 00	445 65	169 00	43 00	370 00	6,679 43
	28,180 01	688 03	27,491 98	10,289 08	2,221 17	2,674 69	692 50	1,558 60	44,543 30
OREGON	5,310 00	126 91	5,183 09	1,582 49	220 94	723 50	42 63	508 33	8,260 98
NEBRASKA TERRITORY	*1,581 06	27 87	1,536 89	709 00	5 55	72 55	40 12	138 00	2,502 11
DAKOTA									
TERRITORY OF NEW MEXICO	1,500 00	27 00	1,473 00	1,146 16	129 95	306 50	37 47	340 00	3,433 08
UTAH TERRITORY	1,628 25	28 37	1,599 88		114 20	16 50	19 70	410 40	2,160 68
COLORADO									
NEVADA	5,210 00	126 31	5,083 69	425 14	134 38	67 00	33 50	680 00	6,423 71
WASHINGTON	3,669 00	88 73	3,571 27	342 25	25 00	166 00	9 01	140 00	4,252 93
LOUISIANA	3,454 16	80 17	3,373 99	6,022 10	689 60	638 63	11 00		10,735 32
TENNESSEE.									
1st district	1,500 00	27 00	1,473 00	425 00		84 50		375 00	2,357 50
2d district	292 59	5 26	287 33		67 30	72 50	3 00		430 13
	1,792 59	32 26	1,760 33	425 00	67 30	157 00	3 00	375 00	2,787 63
MONTANA									
IDAHO									

* $16 30; amount erroneously paid at settlement of last fiscal year.

NOTE.—Commissions due to assessors on the assessment of the previous fiscal year, and not included in the last annual report, are included in the foregoing statement so far as they have been adjusted. In many districts the receipts not having been ascertained, the claims for commissions could not be adjusted.

In some districts the assessors have purchased considerable amounts of stationery, which have been paid by collectors on drafts of the Commissioner of Internal Revenue without being audited, and hence, to the extent this has been done, the expenses for stationery are deficient as above given.

RECAPITULATION.

States.	Salary.	Tax.	Net salary.	Clerk-hire.	Stationery.	Printing and advertising.	Postage and express.	Rent.	Total.
Maine	$8,933 29	$177 98	$8,755 31	$3,218 12	$255 40	$561 59	$173 49	$699 77	$13,665 67
New Hampshire	6,744 50	148 32	6,596 18	1,688 15	146 93	213 82	182 35	295 00	9,122 43
Vermont	4,500 00	81 00	4,419 00	789 50	101 03	213 72	170 25	288 91	5,982 41
Massachusetts	36,940 91	918 85	36,022 06	21,610 46	1,050 09	1,903 82	1,116 20	3,150 79	64,039 96
Rhode Island	7,766 35	191 12	7,575 23	3,810 00	83 38	358 96	73 17	888 00	12,104 61
Connecticut	15,122 89	371 82	14,751 07	3,653 17	344 56	331 49	259 70	886 78	19,734 05
New York	83,909 21	1,918 92	81,990 29	59,210 24	4,012 58	6,320 87	2,222 40	9,553 61	163,317 35
New Jersey	12,652 05	282 46	12,269 59	6,208 32	701 64	758 08	625 30	1,319 83	22,353 97
Pennsylvania	54,642 04	1,201 64	53,441 40	33,904 73	3,360 17	3,081 48	1,085 63	5,059 84	100,187 92
Delaware	2,158 30	46 15	2,692 15	1,032 06	167 06	177 12	133 24	.....	3,692 13
Maryland	10,536 05	225 79	10,301 16	4,612 65	299 62	641 43	170 57	802 17	16,827 60
District of Columbia	1,500 00	27 00	1,473 00	800 00	67 86	94 39	20 08	330 00	2,785 33
Virginia	6,000 00	108 00	5,892 00	1,838 57	101 23	496 80	109 54	816 50	9,254 74
Kentucky	11,027 73	246 72	10,781 01	4,892 48	515 48	189 86	315 55	719 75	17,414 13
Missouri	10,553 83	233 14	10,320 69	4,578 81	868 19	852 07	334 85	1,389 68	18,324 23
Ohio	41,414 52	876 49	40,538 97	15,635 19	1,703 70	2,140 72	1,237 03	3,183 73	64,386 09
Indiana	19,697 52	368 42	19,329 10	5,274 57	609 81	1,600 70	717 48	1,070 44	28,465 90
Illinois	27,373 17	571 03	26,802 14	8,996 01	1,163 11	1,881 37	951 10	1,899 51	41,675 76
Michigan	10,500 00	207 00	10,193 00	4,374 46	714 48	490 80	477 31	802 11	17,017 26
Wisconsin	10,694 07	210 74	10,483 33	3,036 32	424 04	694 74	434 99	835 66	15,908 58
Iowa	9,093 00	162 03	8,840 97	1,961 12	235 15	631 70	522 96	565 00	12,757 43
Minnesota	3,136 89	55 39	3,071 50	524 00	76 57	303 15	98 28	75 00	4,148 60
Kansas	2,477 16	41 80	2,435 36	956 00	98 62	402 15	63 71	420 00	4,375 84
California	28,180 01	688 03	27,491 98	10,289 08	2,221 17	2,674 09	692 50	1,558 60	44,543 30
Oregon	5,310 00	126 91	5,183 09	1,582 49	220 94	723 50	42 63	508 33	8,260 98
Nebraska Territory	1,581 06	27 87	1,536 89	709 00	5 55	72 55	40 12	138 00	2,502 11
Dakota Territory	.....	.....	.....	.....	.....	.....	.....	.....	.....
Territory of New Mexico	1,500 00	27 00	1,473 00	1,146 16	129 95	306 50	37 47	340 00	3,433 08
Utah Territory	1,628 25	28 37	1,599 88	.....	114 20	16 50	19 70	410 40	2,160 68
Colorado Territory	.....	.....	.....	.....	.....	.....	.....	.....	.....
Nevada Territory	5,210 00	126 31	5,083 69	425 14	134 38	67 00	33 50	680 00	6,423 71
Washington Territory	3,660 00	88 73	3,571 27	342 25	25 00	166 00	9 01	140 00	4,252 93
Louisiana	3,454 16	80 17	3,373 99	6,022 10	689 60	638 63	11 00	.....	10,735 32
Tennessee	1,792 59	32 26	1,760 33	425 00	67 30	157 00	3 00	375 00	2,787 63
Total	449,560 45	9,897 46	439,448 63	213,546 15	20,699 79	29,164 60	12,384 10	39,222 41	1,752,541 78

SCHEDULE G.

Statement of disbursements for salaries and contingent expenses in collecting taxes, &c., in insurrectionary districts from the passage of the act to June 30, 1864.

District.	Salary.	Tax.	Net salary.	Stationery.	Office rent.	Printing and advertising.	Surveying.	Miscellaneous.	Total.	Tax on surv'r's salary.
South Carolina	$18,365 69	$449 70	$17,946 23	$2,215 68	.....	$1,274 52	$5,319 36	$12 00	$26,767 79	$30 24
Virginia	12,843 97	292 03	12,551 94	143 33	$224 17	634 51	.....	87 70	13,641 65	.....
Florida	17,818 75	397 76	17,420 99	1,354 30	.....	.....	558 32	.....	19,333 61	.....
Tennessee	10,728 27	248 37	10,479 90	897 08	271 80	578 10	.....	315 00	12,541 88	.....
North Carolina	510 99	12 25	498 74	.....	.....	.....	.....	.....	498 74	.....
Total	60,267 67	1,400 11	58,897 80	4,610 39	495 97	2,487 13	5,877 68	414 70	72,783 67	30 24

SCHEDULE H.

Statement showing the amount expended in arresting seamen charged with crime in foreign countries, in defending seamen before foreign courts of justice, and in defraying expenses incident thereto.

Consulates where expenses were incurred.	No. of seamen.	Amount.
Calcutta	1	$500 00
Elsinore	1	349 24
Hamburg	1	302 47
Hong-Kong	1	25 00
Liverpool	4	86 75
London	1	405 49
Malaga	4	322 58
Matanzas	1	35 29
St. Helena	4	904 89
Total	18	2,931 71

REPORT OF THE AUDITOR FOR THE POST OFFICE DEPARTMENT.

OFFICE OF THE AUDITOR OF THE TREASURY FOR THE POST OFFICE DEPARTMENT, *October* 31, 1864.

SIR: Inasmuch as all that relates to the financial transactions of the Post Office Department, during the fiscal year ending June 30, 1864, will be fully presented in my report to the Postmaster General, I deem it requisite to submit to you only the subjoined brief statement of the principal labors performed in his bureau.

SUMMARY OF PRINCIPAL LABORS.

The postal accounts between the United States and foreign governments have been promptly and satisfactorily adjusted.

Five thousand five hundred and one accounts of late postmasters requiring the final adjustment of their accounts.

Twenty-four thousand eight hundred and seventy-two accounts of late postmasters prior to June 30, 1863.

Nineteen thousand nine hundred and seventy-six accounts of present postmasters.

Seventy-eight thousand three hundred and thirty quarterly accounts of postmasters, adjusted, audited, and registered.

Fifteen thousand eight hundred and twenty-four accounts of mail contractors audited, and reported to Postmaster General for payment.

Five thousand and two accounts of route agents audited and reported for payment.

One hundred and ninety-nine accounts of special agents audited and reported for payment.

Fifteen thousand eight hundred and forty accounts of special mail carriers, mail messengers, and local mail agents, audited and reported for payment.

One hundred and twelve miscellaneous accounts audited and reported for payment.

Forty-one accounts of United States attorneys, marshals, and clerks of courts adjusted, stated, and reported for payment.

One hundred and thirty-two suits instituted for the recovery of sums, amounting to an aggregate of $20,755 73.

Fifty-six judgments obtained in favor of the United States within the fiscal year.

Fifty-six accounts for advertising audited and reported for payment.

Fifty-five thousand six hundred and seventy-nine collection orders issued to mail contractors.

Thirteen thousand three hundred and sixty collection drafts issued.

Thirteen thousand nine hundred and ninety-nine department drafts countersigned and registered, amounting to $2,470,024 83.

Two thousand seven hundred and nine department warrants countersigned and registered, amounting to $2,857,736 17.

One hundred and one thousand two hundred and thirty-three letters received, indorsed, and properly disposed of.

Sixty-three thousand nine hundred and twenty letters prepared, recorded, and mailed.

Two thousand eight hundred and eighty-one folio-post pages of correspondence recorded in collection letter-book.

Two hundred and sixty-five pages of correspondence recorded in suit letter-book.

Four hundred and thirty-six pages of correspondence recorded in the miscellaneous letter-book.

Two hundred and twenty-one pages in the report letter-book.

Fifty-nine thousand three hundred and twenty-four accounts on the ledgers.

Twenty thousand three hundred and seventy-two corrected quarterly accounts of postmasters copied, restated, and mailed.

One thousand seven hundred and five accounts of letter-carriers, amounting to $317,591 41, were settled and paid.

Seventy-nine thousand nine hundred and sixty-one stamp and stamped envelope accounts examined, compared, and restated.

One hundred and ninety-two thousand nine hundred and eighty-two dollars and five cents collected on drafts issued by this office on late postmasters.

One hundred and thirty-four thousand five hundred and eighty-one dollars and forty-four cents collected on drafts issued by this office on present postmasters.

Two million three thousand nine hundred and fourteen dollars and eighty-nine cents collected on orders issued in favor of mail contractors.

Thirty-seven thousand nine hundred and sixty-nine dollars and seventeen cents collected on drafts issued by this office on mail contractors.

Twenty-seven thousand eight hundred and thirty-five dollars and sixty-one cents collected by suit.

Fourteen thousand three hundred and sixty-two dollars and sixty-seven cents collected on drafts issued by this office in favor of mail contractors.

REMARKS.

Much pains have been taken to give method and order to the business of the bureau; and by an equal distribution of duties among the clerks, and the incentives to zeal and exertion arising from promotions, as opportunities occurred, I have been enabled to maintain the regular current of business, and to carry it to its present prosperous condition.

The degree of interest manifested by a large majority of the clerks, and their exertions to meet the requirements of the bureau, in the prompt transaction of its business, thereby preventing the derangement and loss consequent upon permitting any part of the business to be in arrears, demands the highest commendation.

The labors of what is termed the "Examiners' division" have already been decreased to some extent, and will be still further diminished after the termination of the current quarter, in consequence of the radical change made in the method of settling the quarterly accounts of postmasters, by the provisions of the act of Congress entitled "*An act to establish salaries for postmasters, and for other purposes*," approved July 1, 1864. But the excess of clerical force thus produced in the division named will be required for the proper discharge of the additional duties imposed by the 123d section of the act approved June 30, 1864, entitled "*An act to provide ways and means for the support of the government, and for other purposes.*"

I beg leave, in conclusion, to commend to your favorable regard the clerks employed in the various divisions of the office, by whose varied skill and unflagging zeal and perseverance the foregoing favorable results have been accomplished.

I have the honor to be, very respectfully,

ELIJAH SELLS, *Auditor.*

Hon. W. P. FESSENDEN,
Secretary of the Treasury.

REPORT OF THE COMMISSIONER OF CUSTOMS.

TREASURY DEPARTMENT,
OFFICE OF COMMISSIONER OF CUSTOMS,
October 8, 1864.

SIR: In compliance with your letter dated September 20, 1864, I have the honor to present to you my annual report for the current year.

The business of this bureau has been greatly increased during the past year by transfers to it from the Secretary's office, and by the assignment to the Commissioner of Customs of new duties. Among those alluded to is the charge of keeping the accounts of captured and abandoned property under the acts of Congress of July 31, 1861, May 20, 1862, and March 3, 1863, and of commercial intercourse with States and parts of States declared in insurrection; also, the devising and carrying into effect a system for the prevention of smuggling. The latter has required much thought, correspondence, and care, as well as a very extensive journey and personal attention to the matter, along the northeastern, northern, and northwestern frontier of the United States, performed under your instructions. Though it is my purpose to make a special report upon the latter subject, namely, the detection and prevention of smuggling, I deem it proper to say here, that, in making a personal examination of a considerable extent of our eastern, northern, and northwestern frontier and seacoast, and noting the facilities for carrying on illicit trade as they have heretofore existed, I can only wonder that smuggling has not been carried on to a much greater extent than I have reason to suppose it has.

There is reason, however, to apprehend that increased efforts will be, and indeed are being made, to push goods into the United States without the payment of duties, and those usually engaged in that kind of business are by no means likely to overlook any facility for carrying it out successfully.

In consequence of these facilities and the temptation which high rates of duty on foreign goods afford to smugglers, I have deemed it my duty to recommend the appointment of a considerable number of aids to the revenue, some of whom are to act as secret detectives, and to move about among those suspected

of being engaged in such illicit trade, as well as to watch by-places, where it may be expected that goods will be run into the United States in an illegal manner.

It will be impossible, however, to entirely prevent smuggling under the present laws and with so exposed a frontier as that which separates the United States from the British provinces; further legislation by Congress will be necessary to effect the purpose desired, and without which the amount of revenue from customs at our various Atlantic ports must be comparatively small.

We have reason to suppose that no inconsiderable amount of foreign goods are smuggled into the United States in vessels arriving from foreign ports. If such be the fact, I know of no way to prevent it entirely but by the enactment of a law compelling every package of imported goods to carry with it a custom-house certificate showing that the proper duties upon it have been paid.

I respectfully submit that a repeal or a modification of the 7th section of the act of June 17, 1844, limiting the number of inspectors, &c., has become necessary. With the number now allowed and limited by law it will be impossible for collectors of customs to exercise that strict scrutiny and careful inspection of foreign importations which is necessary to prevent the introduction of goods without the payment of duties.

The greatly altered ratio between the rates of compensation heretofore allowed to officers and employés of the customs service, and the expense of living, heretofore and at the present time, has occasioned numerous applications for increase of pay by deputy collectors, inspectors, and others, setting forth that, in consequence of the increased expense of living, they could not subsist themselves and families on the compensation heretofore received.

In many cases those applying for additional compensation could not be retained in the service without a compliance with their request, nor could other competent persons be obtained to supply their places at the same rate of pay. Under these circumstances it has been deemed necessary to recommend, as I have done in many instances, an increase of pay to those employed in the customs service.

Having lately visited, by order of the Secretary of the Treasury, most of the custom-houses along the coast of Maine and the northern and northwestern frontier, it gives me pleasure to bear testimony to the general efficiency, capacity and fidelity of the officers of the customs whom I met, among all of whom I did not meet a single man given to intoxication, and I believe I may say, who was not a temperance man.

When some of the collectors along that frontier were appointed, in 1861, they found many instances of men holding the office and receiving the pay of inspectors of customs, who resided many miles from the places where their services were to be performed, if at all, but who were seldom, if ever, called on to perform any other duty than to sign receipts for their monthly pay. It is unnecessary to say that the business of the various custom-houses where such practices prevailed was done in a loose and improper manner. This evil practice has, I am glad to inform you, been wholly reformed; so far as I know, there is not one idler in the customs service; it is not easy, however, to disabuse the minds of many of the idea that appointments in custom-houses have been (and indeed they have been in too many instances) and are to be bestowed as political rewards, and not for the purpose of securing competent, faithful, and efficient service in the discharge of public duties. This idea has become so imbedded in the minds of certain classes of men, from long party usage, that it has been a source of much annoyance to collectors of customs, and their refusal to continue such a practice has undoubtedly caused much complaint to be made by their own political friends.

By the French customs system, which is probably the most perfect in existence, no person once admitted into the service can be affected by any political change, nor even by any revolution of the government. Men enter that service

in France at the foot of the ladder, and every advancement is made to depend on merit and faithful service; demerit only can remove him. The result is a most faithful, efficient, intelligent, and reliable corps of public servants, among whom fraud and peculation are rarely known.

Our revenue laws are exceedingly intricate and puzzling, even to the best lawyers and judges, and to suppose that any one can become familiar with them so as to administer them without perplexity, except by long experience, is to suppose an impossibility. But we are, nevertheless, continually trying the experiment.

Herewith I transmit a statement, marked A, exhibiting the business transacted at the several ports of the United States, under the laws and regulations in relation to the "internal and coastwise commercial intercourse," from the first transaction to the 30th of June, 1864. Also a statement, marked B, similar to the above, as furnished to the Secretary of the Treasury on the 5th of December, 1863. Also a statement, marked C, exhibiting the transactions in cotton; and a statement, marked C C, exhibiting the transactions in miscellaneous articles found abandoned, voluntarily abandoned, and captured. These statements, it is believed, will be found interesting and important.

Upon the transfer to this bureau, about the 1st of September, 1863, of the charge of the internal and coastwise trade, a division was established to which the duties of directing and instructing the officers appointed to execute the laws and regulations in relation thereto, and to receive and keep the returns made by them to exhibit the result of their operations, were assigned; since which time the division has been constantly employed in the discharge of their duties. These duties were new, and the returns from the several officers appointed to execute the laws and regulations then in force were imperfect and without system, and had, moreover, been accumulating for nearly two years prior to being transferred in bulk to this office. By persevering labor, however, chaos was reduced to order and a proper system established.

On the 5th of November, 1863, the Secretary of the Treasury placed this bureau in charge of all matters pertaining to "captured and abandoned property," and subsequently general instructions in relation to such property, with the forms of returns required, were forwarded to the several supervising and assisting special agents appointed to receive and collect such captured and abandoned property. This transfer greatly increased the duties of the division having charge of internal and coastwise intercourse, to which the subject was referred; but those duties have been faithfully performed, as the statements herewith transmitted will in part show.

Since the transfer of this bureau, on the 9th of November, 1863, of the business relating to return duties, the number of claims for return of duties examined has been 594; number of claims allowed and paid, 218; amount refunded, $239,051 48.

The whole number of accounts received at this office from the First Auditor, from the 1st of July, 1863, to the 30th of June, 1864, was 2,457. Number passed in the same time, 2,442.

The duty of keeping a record of the statistics of commerce, so far as they relate to merchandise in warehouse and in transit in bond from one port to another within the United States, was assigned to this bureau some two years ago. A record is kept of all warehouse and transportation entries and withdrawal entries for transportation in the United States, to which is added the returns of all merchandise brought into each district, after having been entered and warehoused in another district; the former entries representing the debits against each port, and the latter the credits. These, placed in juxtaposition, constitute a safeguard against any irregularities that might occur in the transactions of any of the collection districts in the United States. The statistical table of merchandise which usually accompanies the Secretary's report is care-

fully prepared from the monthly returns from each collection district, collated, and, where necessary, corrected by the collector from recomparison with entries registered in his office.

Should no other business be transferred to this bureau, (and there are some branches that more properly belong here than where they now are,) the present clerical force is sufficient. But as the business of the bureau is generally of a character requiring mental and legal as well as clerical capacity, an order of talent which cannot be procured for the pay allowed to the lower classes of clerks, I would respectfully submit that instead of seven clerks of the first class and nine clerks of the second class, they should be reclassified thus: four of the first class; six of the second, and six of the fourth class. The third class to remain as at present.

I have the honor to be, respectfully, your obedient servant,

N. SARGENT,
Commissioner of Customs.

Hon. WM. P. FESSENDEN,
Secretary of the Treasury.

SCHED

Statement exhibiting the business transacted at the districts of the United wise commercial intercourse, from the first transaction

	Districts.	Period.	PRODUCE AND MANUFACTURES. Cotton. Bales.	Pounds.	Value.	Rate.	Assessments.
						Per cent.	
1	Belfast, Me.	To June 30, 1863.					
2	Pittsburg, Pa.	To June 30, 1862.					
3	Do.	To June 30, 1863.		9,562	$6,597 78	4	$382 48
4	Delaware, Del.	do.					
5	Baltimore, Md.	do.					
6	Wheeling, Va.	do.					
7	Beaufort, N. C.	do.					
8	New Orleans, La.	do.					
9	St. Louis, Mo.	do.					
10	Cincinnati, Ohio	To June 30, 1861.					
11	Do.	To June 30, 1862.					
12	Do.	To June 30, 1863.	3,403	1,191,700	960,308 50	4	47,893 02
13	Evansville, Ind.	do.		675	499 00	4	27 00
14	Madison, Ind.	do.					
	Total to June 30, 1863.		3,403	1,201,937	967,405 28		48,302 50
1	Belfast, Me.	To June 30, 1864.					
2	Perth Amboy, N. J.	do.					
3	Philadelphia, Pa.	do.					
4	Pittsburg, Pa.	do.					
5	Delaware, Del.	do.					
6	Baltimore, Md.	do.					
7	Georgetown, D. C.	do.					
8	Alexandria, Va.	do.					
9	Wheeling, Va.	do.					
10	Beaufort, N. C.	do.	210	312,615	42,159 93	4	12,571 95
11	Beaufort, S. C.	do.	414	127,850½	127,850 75	4	5,214 03
12	New Orleans, La.	do.	42,394½	10,716,899	7,753,004 00	4	1,719,088 65
13	St. Louis, Mo.	do.					
14	Louisville, Ky.	do.	3,907	2,069,136½	1,178,704 80	4	10,574 22
15	Paducah, Ky.	do.	16,789	8,303,008	2,325,954 30	4	328,651 75
16	Nashville, Tenn.	do.	23,423	12,006,695	6,824,934 69	4	447,407 12
17	Memphis, Tenn.	do.					
18	Cincinnati, Ohio	do.	10,465	4,773,044	2,710,699 55	4	190,921 80
19	Evansville, Ind.	do.	1	370	222 00	4	14 80
20	New Albany, Ind.	do.					
21	Madison, Ind.	do.					
22	Cairo, Ill.	do.	2,558	829,658	515,479 80	4	43,498 48
23	Quincy, Ill.	do.					
24	Vicksburg, Miss.	do.	4 20		4,500 00	4	
25	Natchez, Miss.	do.					
	Total to June 30, 1864.		101,581	39,139,275	21,483,509 82		2,757,942 80
	Total to June 30, 1863.		3,403	1,201,937	967,405 28		48,302 50
	Total		104,984	40,341,212	22,450,915 10		2,806,245 30

ULE A.

States, under the laws and regulations in relation to the internal and coast- to the 30th of June, 1864, as received at this office.

PRODUCE AND MANUFACTURES.

Tobacco.					Value of merchandise shipped.	Merchandise paying ad valorem.		Total assessments.
Hogsheads.	Pounds.	Value.	Rate.	Assessments.		Value.	Fees.	
			Per lhd.					
.....	.....	.....	.....	.....	$4,788 22	.....	.....	.....
.....	.....	.....	.....	.....	2,569,011 66	.....	.....	.....
25	.....	$10,000 00	$2 00	$50 00	778,182 37	.....	.....	$432 48
.....	.....	.....	.....	.....	32,632 19	.....	.....	.....
.....	.....	.....	.....	.....	1,486,552 54	.....	$25,763 70	25,763 70
.....	.....	.....	.....	.....	5,623,075 34	.....	22 04	22 04
.....	.....	.....	.....	.....	5,400 60	.....	270 03	270 03
.....	.....	.....	.....	.....	.....	.....	203 25	203 25
.....	.....	.....	.....	.....	2,429,875 70	.....	11,194 43	11,194 43
.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	12,985,749 73	.....	43,169 78	91,062 80
.....	.....	.....	.....	.....	2,273,358 00	.....	1,789 79	1,816 79
.....	.....	.....	.....	.....	2,018 40	.....	100 92	100 92
25	.....	10,000 00	2 00	50 00	28,190,644 75	.....	82,513 94	130,866 44
.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	2,676 00	.....	.....	.....
.....	.....	.....	.....	.....	615 00	.....	18 45	18 45
.....	.....	.....	.....	.....	2,530,830 08	.....	9,817 84	9,817 84
.....	.....	.....	.....	.....	455,429 45	.....	646 10	646 10
.....	.....	.....	.....	.....	83,790 29	.....	.....	.....
.....	.....	.....	.....	.....	10,397,879 36	.....	221,358 42	221,358 42
.....	.....	.....	.....	.....	4,721 93	.....	46 98	46 98
.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	2,969,515 50	.....	2,055 42	2,055 42
.....	.....	39 90	2 00	2 00	1,218,676 68	.....	63,660 62	73,234 57
.....	.....	.....	.....	.....	1,401,889 04	.....	44,449 30	49,663 33
17	15,226	4,647 00	2 00	34 00	14,672,013 19	.....	679,739 60	2,308,862 25
.....	.....	.....	.....	.....	18,778,520 46	.....	236,659 19	236,659 19
3,008	1,370,214	279,055 00	2 00	6,016 00	10,172,310 29	.....	347,948 27	364,538 49
14,104	136,160	54,575 00	2 00	28,066 00	8,892,665 72	.....	80,197 07	436,914 82
811	377,450	144,611 95	2 00	1,632 00	4,177,565 64	.....	21,070 48	470,039 60
.....	.....	.....	.....	.....	6,689,709 52	.....	365,630 39	385,630 39
17	.....	.....	2 00	34 00	24,278,416 66	.....	547,232 34	733,188 14
3	6,015	1,980 00	2 00	36 00	2,255,080 00	.....	13,872 76	15,923 56
.....	.....	.....	.....	.....	81,706 94	.....	893 56	893 56
.....	.....	.....	.....	.....	170,714 30	.....	616 41	616 41
263	.....	47,600 00	2 00	526 00	4,417,559 46	.....	123,691 72	167,716 20
.....	.....	.....	.....	.....	3,887,467 95	.....	58 10	58 10
.....	.....	.....	.....	.....	913,012 19	.....	1,173 69	1,173 69
.....	.....	.....	.....	.....	.....	.....	55 50	55 50
18,223	1,905,065	532,508 85	.....	36,336 00	124,473,826 75	.....	2,779,892 21	5,574,171 01
25	.....	10,000 00	.....	50 00	28,190,644 75	.....	82,513 94	130,866 44
18,248	1,905,065	542,508 85	.....	36,386 00	152,664,471 50	.....	2,862,406 15	5,705,037 45

SCHEDULE A.—*Statement exhibiting the business trans-*

	Districts.	Period.	Permit fees collected.		All other fees collected.	Aggregate fees collected.	Fines, penalties, and forfeitures collected.	Total receipts.
			No. of permits.	Fees.				
1	Belfast, Me	To June 30, 1863.	55					
2	Pittsburg, Pa	To June 30, 1862.	11,126	$2,191 60	$285 25	$2,476 85		$2,476 85
3	Do	To June 30, 1863.	3,448	639 10	312 48	1,384 06		1,384 06
4	Delaware, Del	do	479	95 80		95 80		95 80
5	Baltimore, Md	do	50,081	12,491 00		38,704 76		38,704 76
6	Wheeling, Va	do		4,968 21	11 25	5,001 50		5,001 50
7	Beaufort, N. C	do	4	60		270 63		270 63
8	New Orleans, La	do		9 80		213 05		213 05
9	St. Louis, Mo	do	11,039	2,207 80		13,402 23	$2,682 09	16,084 32
10	Cincinnati, Ohio	To June 30, 1861.	1,268	253 80	76 96	330 76		330 76
11	Do	To June 30, 1862.	37,179	7,435 90	713 75	8,149 65		8,149 65
12	Do	To June 30, 1863.	47,285	9,457 10	1,101 30	101,621 20		101,621 20
13	Evansville, Ind	do	7,398	1,537 60		3,354 39		3,354 39
14	Madison, Ind	do	699	139 85	25	241 02		241 02
	Total to June 30, '63		170,078	41,878 22	2,501 24	175,245 90	2,682 09	177,927 99
1	Belfast, Me	To June 30, 1864.	36					
2	Perth Amboy, N. J	do				18 45		18 45
3	Philadelphia, Pa	do	15,816	3,331 20	14 80	13,163 84		13,163 84
4	Pittsburg, Pa	do	2,062	417 45	976 01	2,039 56		2,039 56
5	Delaware, Del	do	1,752	350 40		350 40		350 40
6	Baltimore, Md	do	9,223	22,621 53	8,907 07	252,887 02		252,887 02
7	Georgetown, D. C	do	4			46 98		46 98
8	Alexandria, Va	do	435	87 00		87 00		87 00
9	Wheeling, Va	do	9,080	3,972 10	1,440 40	7,467 92		7,467 92
10	Beaufort, N. C	do	1,915	442 46	81 80	75,758 83		75,758 83
11	Beaufort, S. C	do	1,590	317 60		49,980 93		49,980 93
12	New Orleans, La	do	14,709	11,331 70	7,913 55	2,418,107 50		2,418,107 50
13	St. Louis, Mo	do	61,034	12,011 15		248,670 34	2,547 20	251,217 54
14	Louisville, Ky	do	118,643	23,595 00	16,843 81	404,977 30	22,655 40	427,632 70
15	Paducah, Ky	do	17,088	2,305 90	528 95	439,749 67		439,749 67
16	Nashville, Tenn	do	9,230	3,761 55	36,035 12	509,896 27		509,896 27
17	Memphis, Tenn	do	3,732	746 40	180 50	386,557 29		386,557 29
18	Cincinnati, Ohio	do	56,020	10,667 60	3,668 95	752,524 69		752,524 69
19	Evansville, Ind	do	7,434	1,614 90	84 70	15,623 16		15,623 16
20	New Albany, Ind	do	108	21 60	5 00	920 16		920 16
21	Madison, Ind	do	624	124 35	10 25	751 01		751 01
22	Cairo, Ill	do	5,452	2,629 50	1,233 41	171,579 11		171,579 11
23	Quincy, Ill	do	11,730	2,259 61		2,317 71		2,317 71
24	Vicksburg, Miss	do	9,621	867 25	2,122 05	4,102 99		4,102 99
25	Natchez, Miss	do		375 63	13 45	444 60		444 60
	Total to June 30, '64		357,330	103,791 90	80,059 82	5,738,023 73	25,202 60	5,783,225 33
	Total to June 30, '63		170,078	41,878 22	2,501 24	175,245 90	2,682 09	177,927 99
	Total		527,408	145,670 12	82,561 06	5,933,269 63	27,884 69	5,961,153 32

TREASURY DEPARTMENT, *Office of Commissioner of Customs, October 6, 1864.*

acted at the districts of the United States, &c.—Continued.

EXPENSES.				Permit fees, &c., refunded.	Fines, penalties, and forfeitures remitted.	Deposits.	Total payments.	Excess of receipts.	Excess of expenses.	Total receipts.
Compensation to—		Incident'l.	Total.							
Special agents.	Aids, &c.									
	$2,468 00	$341 96	$2,809 96				$2,809 96			
	5,106 00	213 72	5,319 72				5,319 72			
	7,538 57	2,283 37	9,821 94				9,821 94			
		5 05	5 05				5 05			
$270 72	131 46		402 18				402 18			
	90 00	818 65	908 65				908 65			
300 00	704 00	162 05	1,166 05				1,166 05			
	9,307 69	1,497 26	10,804 95				10,804 95			
	12,118 84	1,998 08	14,116 92				14,116 92			
	3,447 30	149 45	3,596 75				3,596 75			
570 72	40,911 86	7,469 59	48,952 17				48,952 17			
	1,276 31	664 40	1,940 71				1,940 71			
	3,129 50	283 40	3,412 90				3,412 90			
19,059 05	17,259 11	5,564 61	41,732 77	$603 01			42,385 78			
2,365 00	6,758 89	2,433 17	11,557 06				11,557 06			
		2 50	2 50				2 50			
539 94	82,371 99	16,833 33	99,745 26				99,745 26			
	14,403 91	2,856 25	17,260 16				17,260 16			
4,685 00	22,693 20	1,833 12	29,110 32				29,110 32			
	5,779 65	645 15	6,424 80				6,424 80			
	6,825 67	2,162 11	8,987 78	16 53			9,004 31			
	2,256 00		2,256 00				2,256 00			
	30,122 99	6,085 08	36,208 07				36,208 07			
	9,276 78	811 53	10,088 31				10,088 31			
	74 70	11 10	85 80				85 80			
2,781 00	3,545 40	16 25	6,342 65				6,342 65			
	527 50	86 50	614 00				614 00			
	3,635 40	5,243 16	8,868 56				8,868 56			
	162 52	15 00	177 52				177 52			
29,429 90	210,083 52	45,346 66	284,865 17	619 54			285,484 71			$5,497,740 62
570 72	40,911 86	7,469 59	48,952 17				48,952 17			128,975 82
30,000 62	251,000 38	52,816 25	333,817 34	619,54			334,436 88			5,626,716 44

N. SARGENT, *Commissio*

SCHEDULE B.

Statement exhibiting the fees, &c., collected under the several laws and regulations in relation to the internal and coastwise commercial intercourse with the insurrectionary States, received at this office from the first transaction to the 5th of December, 1863, when this statement was made up.

	DISTRICT.	PERIOD.	PRODUCE AND MANUFACTURES.									
			Cotton.					Tobacco.				
			Bales.	Pounds.	Value.	Rate.	Assessm'ts.	Hhds.	Value.	Rate.	Assessments.	Value of mdse. shipped.
		1863.										
1	Belfast, Me	To August 31										$7,463 97
2	Philadelphia, Pa	To September 30										47,084 21
3	Pittsburg, Pa	To October 31		9,562	$6,597 78	4 cts. per lb	$382 48	25	$10,000 00	$2 per hhd	50	3,572,337 15
4	Delaware, Del	To October 31										45,562 72
5	Baltimore, Md	To October 31										1,858,630 64
6	Georgetown, D. C	To September 30										1,955 58
7	Alexandria, Va	To October 31										7,203,906 88
8	Wheeling, Va	To October 31										637,221 35
9	Beaufort, N. C	To October 31		33,351		4 cts. per lb	1,334 04					
10	Beaufort, S. C	To October 31										
11	New Orleans, La	To September 30	15,331	4,035,134½		4 cts. per lb	161,405 37					1,464,156 59
12	St. Louis, Mo	To October 31										11,702,022 78
13	Louisville, Ky	To October 31	3,635 372	1,817,500 185,907½	1,171,071 00	50 cts. per 1,000 lbs 4 cts. per lb	908 75 *7,436 30	1,080		$2 per hhd	2,160	54,293 00 1,486,730 60
14	Paducah, Ky	To October 31	8,730	4,365,000		do	174,600 00	13,841		do	*27,682	6,075,702 36
15	Nashville, Tenn	To August 31		302,459½		do	12,098 38	8	1,015 20	do	16	31,115 52
16	Cincinnati, Ohio	To October 31		3,921,324½	2,019,897 55	do	156,852 99					3,737,120 00
17	Evansville, Ind	To October 31		675	499 00	do	27 00					3,415,636 00
18	Madison, Ind	To August 31										20,698 16
19	Cairo, Ill	To October 31	2,737	525,286½		4 cts. per lb	21,011 45	263		$2 per hhd	524	2,107,365 25
20	Quincy, Ill	To October 31										2,821,861 83
21	Newbern, N. C	To October 31										126,235 48
22	Washington, N. C	16th to 31st Oct.										
23	Corinth, Tenn	16th to 31st Oct.										1,184,367 29
			30,805	15,196,200½			536,056 76	15,216	11,015 20		30,432	47,571,467 36

* Estimated fees not returned.

SCHEDULE B.—*Statement exhibiting the fees, &c.*—Continued.

	DISTRICT.	PERIOD.	PRODUCE AND MANUFACTURES.			PERMIT FEES COLLECTED.		All other fees collected.	Aggregate fees collected.	Fines, penalties, and forfeitures collected.	Total receipts.
			Merchandise paying ad valorem rate.		Total assessments.	No. of permits.	Fees.				
			Value.	Fees.							
		1863.									
1	Belfast, Me	To August 31				91					
2	Philadelphia, Pa	To September 30	$23,896 21	$1,194 82	$1,194 82	17	$3 40	$4 60	$1,202 82		$1,202 82
3	Pittsburg, Pa	To October 31	8,624 04	431 20	863 68	15,235	3,047 10	506 07	4,446 85		4,416 85
4	Delaware, Del	To October 31				1,149	229 80		229 80		229 80
5	Baltimore, Md	To October 31	356,865 00	17,843 25	17,843 25	9,265	1,853 00	414 70	20,310 95		†20,779 20
6	Georgetown, D. C	To September 30	935 60	46 78	46 78	3	60		47 38		47 38
7	Alexandria, Va	To October 31				186	37 20		37 20		37 20
8	Wheeling, Va	To October 31	3,852 63	192 63	192 63	23,993	6,798 76	615 55	7,606 94		7,606 94
9	Beaufort, N. C	To October 31	637,221 35	31,861 07	33,195 11	418	83 60	9 15	33,287 86		33,287 86
10	Beaufort, S. C	To October 31									
11	New Orleans, La	To September 30	1,362,699 20	68,134 96	229,540 33	4,805	961 00	15	230,501 48		230,501 48
12	St. Louis, Mo	To October 31	3,049,241 80	152,462 09	152,462 09	42,630	8,526 00		160,988 09	$5,229 29	166,217 38
13	Louisville, Ky	To October 31	{ 54,293 00 { 1,486,730 60	2,714 65 74,336 53	3,623 40 83,932 83	83,220 11,382	16,644 00 2,276 40	341 13 1,254 05	20,608 53 87,463 28	14,895 85	35,504 38 87,463 28
14	Paducah, Ky	To October 31	497,971 20	24,898 56	227,180 56	5,130	*1,026 00		228,206 56		228,206 56
15	Nashville, Tenn	To August 31	27,816 20	1,390 81	13,505 19	5,891	1,178 20	17 50	14,700 89		‡21,169 89
16	Cincinnati, Ohio	To October 31	2,400,784 00	120,039 19	276,892 18	40,056	8,011 20	10	284,903 48		284,903 48
17	Evansville, Ind	To October 31	76,450 75	3,822 54	3,849 54	11,058	2,211 60	91 25	6,152 39		6,152 39
18	Madison, Ind	To August 31	603 60	30 18	30 18				30 18		30 18
19	Cairo, Ill	To October 31	968,805 20	48,440 26	69,975 71	2,988	597 60		70,573 31		70,573 31
20	Quincy, Ill	To October 31	1,162 61	58 13	58 13	7,179	1,435 80		1,493 93		1,493 93
21	Newbern, N. C	To October 31	39,051 20	1,952 56	1,952 56	2,148	429 60	61 60	2,443 76		2,443 76
22	Washington, N. C	16th to 31st Oct.				158	31 80	5 65	37 45		37 45
23	Corinth, Tenn	16th to 31st Oct.	6,560 00	328 00	328 00	10,099	2,019 80	677 35	3,025 15		3,025 15
			11,003,564 19	550,178 21	1,116,666 97	287,102	57,402 46	3,998 85	1,178,068 28	20,125 14	1,205,330 67

* Estimated.
† Including $668 25, collected in September, and for which no details have been received.
‡ Including $6,469, collected by W. G. Brownlow, and returned without details.

SCHEDULE B.—*Statement exhibiting the fees, &c.*—Continued.

	DISTRICT.	PERIOD.	EXPENSES.			Permit fees, &c., refunded.	Deposits.	Total payments.	EXCESS OF—		Net receipts.
			Compensation to aids.	Incidental.	Total.				Receipts.	Expenses.	
		1863.									
1	Belfast, Me	To August 31					$1,202 82		$1,202 82		
2	Philadelphia, Pa	To September 30								$5,090 38	
3	Pittsburg, Pa	To October 31	$8,917 50	$589 73	$9,507 23			$9,507 23			
4	Delaware, Del	To October 31							229 80		
5	Baltimore, Md	To October 31					20,779 20		20,779 20		
6	Georgetown, D. C	To September 30							47 38		
7	Alexandria, Va	To October 31							37 20		
8	Wheeling, Va	To October 31	11,637 93	3,476 26	15,114 19			15,114 19		7,507 25	
9	Beaufort, N. C	To October 31		285 55	285 55			285 55	33,002 31		
10	Beaufort, S. C	To October 31									
11	New Orleans, La	To September 30	10,171 23	3,013 41	13,184 64			13,184 64	217,316 84		
12	St. Louis, Mo	To October 31	8,574 75	2,203 60	10,778 35			10,778 35	155,439 03		
13	Louisville, Ky	To October 31	3,149 00	393 36	3,542 36			3,542 36	119,495 30		
14	Paducah, Ky	To October 31							228,206 56		
15	Nashville, Tenn	To August 31	668 85	166 80	835 65			835 65	20,334 24		
16	Cincinnati, Ohio	To October 31	11,790 84		11,790 84	$5,294 66		17,085 50	207,817 98		
17	Evansville, Ind	To October 31	7,271 55	197 28	7,468 83			7,468 83		1,316 44	
18	Madison, Ind	To August 31							30 18		
19	Cairo, Ill	To October 31			5,847 49			5,847 49	64,725 82		
20	Quincy, Ill	To October 31	198 75	61 50	260 25			260 25	1,233 68		
21	Newbern, N. C	To October 31			383 30			383 30	2,060 46		
22	Washington, N. C	16th to 31st Oct.							37 45		
23	Corinth, Tenn	16th to 31st Oct.							3,025 15		
			62,380 40	10,387 49	78,998 68	5,294 66	21,982 02	84,293 34	1,134,951 40	13,914 07	$1,121,037 33

N. SARGENT, *Commissioner of Customs.*

SCHEDULE C.

Statement exhibiting transactions in cotton and miscellaneous articles found abandoned, voluntarily abandoned, and captured.

COTTON.

Period of return.	FOUND ABANDONED.		VOLUNTARILY ABANDONED.		CAPTURED.		TOTAL.		MANNER OF DISPOSITION.					
									Quantity sold.		Quantity released.		Quantity on hand.	
	Bales and bags.	Weight.	Bales and bags.	Weight.	Bales and bags.	Weight.	Bales and bags.	Weight.	Bales and bags.	Weight.	Bales and bags.	Weight.	Bales and bags.	Weight.
From—														
March 12 to October 31, 1863	2,196	858,792	3,908	1,601,547	5,011	2,176,768	11,115	4,637,107	10,023	4,199,612	970	390,604	122	46,891
November 1, '63, to January 31, '64	437	178,806	903	368,609	2,153½	865,609	3,483½	1,413,084	2,291¼	903,855	1,016	432,239	176	76,990
February 1 to February 29, 1864	188	75,338	.....	.....	173	66,077	361	141,415	321	127,359	40	14,056	.....	.....
March 1 to March 31, 1864	124	51,221	43	19,413	4	1,835	171	72,469	167	70,634	.....	.....	4	1,835
April 1 to April 30, 1864	378	149,321	.....	.....	547	234,549	925	383,870	792	333,435	.....	.....	298	50,435
	3,313	1,313,478	4,854	1,989,629	7,888	3,344,838	16,055	6,647,945	13,594	5,634,895	2,026	836,899	600	176,151

Period of return.	Amount of gross proceeds.	Amount paid for labor, transportation, &c.	Amount paid auction duties.	Amount paid for 4th assessment.	Amount paid internal revenue tax.	Amount retained for contingent expenses.	Amount of net proceeds.	Amount of proceeds released.	Due quartermasters' department.
From March 12 to October 31, 1863	$2,131,213 28	$109,511 75	$2,130 52	$167,728 62	$20,986 52	$18,849 34	$1,792,480 03	$178,884 52	$19,526 50
From November 1, 1863, to January 31, 1864	621,301 04	37,936 27	621 10	36,154 20	4,519 40	9,207 69	530,964 97	4,125 98	1,897 41
From February 1 to February 29, 1864	77,556 35	4,300 08	77 43	5,089 36	636 22	1,137 61	66,060 65	.....	255 00
From March 1 to March 31, 1864	42,668 73	2,332 48	42 66	2,825 36	353 18	640 32	36,494 73	.....	.....
From April 1 to April 30, 1864	211,973 70	16,687 54	211 86	13,404 86	.....	3,179 41	178,490 03	.....	.....
	3,084,733 10	170,768 12	3,083 57	225,202 40	26,495 32	33,014 37	2,604,490 41	183,010 50	21,678 91

SCHEDULE C.—*Statement exhibiting transactions in cotton and miscellaneous articles, &c.*—Continued.

MISCELLANEOUS ARTICLES.

Period of return.	Amount of gross proceeds.	Amount paid for labor, transportation, &c.	Amount paid auction duties.	Amount paid for 4th assessment.	Amount paid internal revenue tax.	Amount retained for contingent expenses.	Amount of net proceeds.	Amount of proceeds released.	Due quartermasters' department.
From March 12 to October 31, 1863	$7,026 48	$544 29	*$35 64	.....	.....	$77 20	$6,369 35	.....	.....
From November 1, 1863, to January 31, 1864	2,961 32	359 12	4 61	.....	.....	44 39	2,553 20	.....	.....
From February 1 to February 29, 1864	434 98	55 30	*22 18	.....	$31 07	6 51	319 92	.....	.....
From April 1 to April 30, 1864	360 94	97 30	35	.....	.....	5 40	257 89	.....	.....
	10,783 72	1,056 01	63 78	.....	31 07	133 50	9,500 36	.....	.....

* Custom-house fees.

SCHEDULE C.—*Statement of cotton and sugar captured or abandoned, and voluntarily abandoned, received from the insurrectionary States, received and sold under the direction of Hiram Barney, agent of the United States, at New York, in pursuance of regulations of the Treasury Department, under the act of Congress of March 12, 1863.*

Date of invoice.	From whom received.	From what place.	By what conveyance.	No. of bales or hhds.	Cotton captured or abandoned.	Cotton voluntarily abandoned.	Sugar captured or abandoned.	Expenses for freight, labor, and commissions.	Net proceeds of each invoice.	Remarks.
1863.										
May 11	D. G. Barnitz, special agent..	Cairo, Ill.....	Railroad.....	24	$8,010 91	}		$551 43	$7,518 64	
11	.....do.....do.....	.....do.....	....do.....	1	59 16	}				
9	S. B. Holabird, quartermaster.	New Orleans, La..	Steamer Geo. Peabody.	412	128,026 60			3,052 38	124,974 02	
22	.....do.....do.....	.....do.....	Steamer Matanzas.....	50			7,004 79	168 75	6,836 05	
.....	T. H. Yeatman, special agent.	Memphis, Tenn....	Railroad.....	251		75,341 76		10,071 61	65,270 15	Abandoned by Wm. Nichols.
June 1	S. B. Holabird, quartermaster.	New Orleans, La..	Steamer United States.	522	166,557 37			4,808 47	161,748 90	
1	.....do.....do.....	.....do.....	....do.....do.....	25			3,381 96	82 58	3,299 38	
6	.....do.....do.....	.....do.....	Steamer Fulton.....	300	97,036 17			2,099 78	94,936 39	
17	.....do.....do.....	.....do.....	Steamer Matanzas.....	530	139,468 51			2,932 80	136,535 71	
19	.....do.....do.....	.....do.....	Steamer Patapsco.....	480	125,516 65			2,962 11	122,554 54	
12	.....do.....do.....	.....do.....	Steamer Matanzas.....	400	127,282 04			3,880 51	123,401 53	
July 30	E. L. Pierce, special agent....	Beaufort, S. C.....	Steamer Fulton.....	66	8,718 02			401 45	8,316 57	
					800,705 43	75,341 76	10,386 75	31,002 06	855,431 88	

NOTE.—This return is dated October 31, 1863, and is the only *return* as yet received from the district of New York.

RECAPITULATION.

Amount received from cotton captured	$800,705 43	*Gross proceeds.*—Cotton	$3,960,780 29
Amount received from cotton voluntarily abandoned	75,341 76	Miscellaneous	21,170 47
Amount received from sugar captured	10,386 75	Total	3,981,950 76
Total amount received	886,433 94	Expenditures	490,849 20
Deduct for expenses	31,002 06	Net receipts	3,491,101 56
Net amount received	855,431 88	Deduct amount released	$248,280 65
Refunded W. Nichols, Aug. 14, 1863, Secretary's letter Aug. 11, 1863.	65,270 15	And amount claimed by quartermasters' department.	21,678 91
Balance	790,161 73		269,959 56
		Actual net proceeds	3,221,042 00

N. SARGENT, *Commissioner of Customs.*

REPORT OF THE SUPERVISING ARCHITECT.

OFFICE SUPERVISING ARCHITECT,
September 30, 1864.

I have the honor to submit the following report of operations during the year ending September 30, 1864, upon the various public buildings, (constructed or in course of construction,) under the direction of the Treasury Department, and committed to the charge of this office.

Several appropriations for new custom-houses, marine hospitals, and court-houses, made prior to the war, remain available, but no new works have been commenced during the past year. The operations were confined to the continuation of buildings in course of construction, the alteration of others to suit the emergencies of the present service, the necessary and unavoidable repairs of others, and the settlement of accounts and claims by works now completed. A statement of the expenditures will be found under the proper heads, as also a statement of the condition of the respective buildings, as far as known to this office.

I cannot but reiterate the remarks I made in my last report relative to the worthlessness of the corrugated galvanized-iron roofs. A large proportion of the amount expended for repairs was for repairing these roofs. Several of them are in such bad condition that they ought to be replaced entirely without delay, and a heavy item for repairs of them may be expected for the coming year.

Another source of annoyance and expense has been caused by the utter insufficiency of the system of heating (introduced in former years) by hot-air furnaces. In almost all the buildings heated by these furnaces, the officers (occupying these buildings) were obliged to abandon their use, and to heat their rooms by means of cast-iron stoves. The hot-water heating system having proved eminently successful in the treasury extension building, and in some of the extremely northern custom-houses, its use has been adopted for all the new buildings, or those in course of construction. It is also proposed to introduce it gradually into those buildings where the hot-air system had to be abandoned; and I would recommend that an appropriation be asked for this special purpose.

An appropriation of $50,000 for a new building exclusively for the revenue service at Portland, Me., was made by the last Congress, but at such a late date that it will probably be impossible to commence operations this season.

The repairs of the government warehouses and wharves on Staten island have been nearly completed, and will be completed before the coming winter. A portion of the revenue depot grounds has been transferred to the light-house service.

In conformity to the act of Congress approved June 20, 1864, the Chicago marine hospital property was sold to J. F. Joy, president of the Michigan Central Railroad Company, for the sum of $132,000. This sum is considered a fair price for the property, and sufficient for the purchase of a more eligible site, and the erection of a more commodious hospital.

On the 1st of October, 1863, the aggregate balance of appropriations not withdrawn from the treasury, together with the amounts in the hands of disbursing agents, amounted to $1,338,181 59. The appropriations becoming available during the year amounted to $1,423,879 02, making an available amount at the control of this office of $2,762,060 61, for the year ending September 30, 1864. The expenditures during the year amounted to $1,064,436 57, leaving an aggregate balance on the 30th September, 1864, of $1,697,624 04.

TREASURY EXTENSION.

The work upon this building progressed favorably during the past year The whole of the west section, the northwest portion of the north section. and all the attic stories are completed and occupied or ready for occupa-

tion. Though a large amount of room was thus added to the building, it is yet far from being large enough to afford accommodation for all the officers of the department, and in this connexion, the failure to obtain apartments for the State Department, and consequent postponement of the continuation of the north section of the building, is much to be regretted.

In table B will be found a synopsis of the disbursements made during the year. As will be seen from it, a large amount of work not properly belonging to the construction of the building was done for the National Note Bureau. It was done by order of the Hon. S. P. Chase, for the purpose of facilitating and expediting the operations of that bureau, and with a view that the expenditures thus made would be refunded to the work of the treasury extension. A large amount of work is yet done for the above bureau under the order alluded to. As the necessities which caused the order no longer exist, and as a reduction of the force employed on the treasury extension is very desirable on account of the postponement of operations on the north section, I would respectfully recommend the revocation of the order; also that directions be issued for the refunding of the expenditures.

Another large item of expense is the furnishing of the building; the outlays under this head amounted to $66,911 53 during the past year. Several attempts were made to reduce this expenditure, but as yet with little success.

Within the past year the four large iron vaults (fire and burglar proof) for the Treasurer of the United States and the Comptroller of the Currency were completed. Two of them are twenty feet by twelve feet eleven inches by thirteen feet ten inches, and two eighteen feet seven inches by twelve feet eleven inches by thirteen feet ten inches. Each vault is provided with a double door, and each door with two locks of different patents. Their total cost amounted to $62,981 88. Two of them are located in the entrance story and in the cashier's room of the Treasurer of the United States, and two immediately over them in the second story are for the banking-room of the Comptroller of the Currency.

The rear rooms of the third story of the old treasury building were improved by enlarging their window-openings, and by removing and replacing the old groin ceilings by iron beams and segment-arches; these rooms, formerly very dark, were thus rendered comfortable, and far more serviceable.

I would again call attention to the recommendations made in my last report relative to the widening of the areas, and the reconstruction of the Fifteenth street front, and which as yet have not been acted upon. They are fully shown by a large and accurate model of the whole building now exhibited in the entrance vestibule of the west wing. The widening of the areas, by which alone the basement and cellar stories of the west and north sections of the building can be well lighted, I deem a great desideratum. I cannot too urgently recommend that I be authorized to proceed with that work, together with the lowering of the level of the ground in front of the north section.

The heavy granite balustrade of the south section, and which it was contemplated to continue on the other portions of the extension, has been replaced on the west section by a galvanized iron acroteral ornament, of light and elegant design. The cornice is thus rendered tight, and those unsightly stains from percolation through joints, which disfigure the cornice of the south wing so often, are thereby prevented. It would be advisable to remove the balustrade of the south wing also, and to replace it by the above finish.

REMODELLING OF MERCHANTS' EXCHANGE AND CUSTOM-HOUSE AT NEW YORK.

As stated in my last report, the cost of this work very much exceeded the amounts originally contemplated for the same. Congress, at its last session, made an appropriation of $80,000 for the payment and settlement of outstanding bills and claims against these works. The whole of them, except one, have been settled and paid for, leaving an available balance of appropriation of $6,644 80.

BOSTON CUSTOM-HOUSE.

The alterations and improvements in the approaches and steps to this building have been completed, and prove to be very satisfactory and convenient to the public. The whole of this work has been done by Messrs. Blaisdell & Emerson, at an expenditure within the amount of the appropriation made for that purpose. The interior of the building has been cleaned and some of the painting renovated.

BUFFALO CUSTOM-HOUSE.

This building, like most of the other custom-houses, was provided, at its erection, with hot-air furnaces thought sufficiently powerful to heat it. They proved entirely inadequate for the purpose the first winter they were used, and recourse was had to stoves. Complaints and petitions of the officers of the building for a better system of heating were repeated almost every year. A considerable balance of former appropriations for the construction of the building remaining unexpended and available, it was thought advisable to remedy the evil, and arrangements were made accordingly with Messrs. Hayward, Bartlett & Co. for introducing their hot-water heating apparatus. The cost of the same will be less than the amount of the available balance of appropriation.

CINCINNATI CUSTOM-HOUSE.

Soon after the approval of the act of Congress appropriating $25,000 for the alterations of the Cincinnati custom-house, (in March last,) the plans for the same were perfected and approved, and early in the month of April last arrangements were made for starting the work.

Its cost will considerably exceed the appropriation which was made in accordance with an estimate prepared in this office, and which was based on the prices of labor and materials of over a year ago. As already stated elsewhere, prices of building materials and labor have since advanced enormously, and perhaps nowhere more so than at Cincinnati. Not only was it difficult to procure mechanics, but they also failed to perform their work as efficiently as in former times in consequence of a spirit of carelessness and recklessness engendered by the repeated strikes all over the country.

Had it been in my power to visit the work oftener than I did, I would have made various and considerable savings. I cannot too strongly urge, in this connexion, that the supervising architect should be disembarrassed as much as possible from routine duties at Washington, (which may be intrusted to an assistant,) and that he should spend considerable portion of his time in inspecting works in progress of construction, or in making arrangements for starting new ones. The annual amount saved by such a course would be very considerable, while at the same time better work would be obtained. However careful the selection of superintendents may have been made, these gentlemen very frequently lose sight of economy, under the excuse that the government is rich enough to pay for any work; and very often they lack the requisite mechanical talent and experience.

This work cannot be completed in less than two months, and an additional appropriation of $12,000 will be required to pay for it.

DUBUQUE (IOWA) CUSTOM-HOUSE.

The work of completing this building, for which an appropriation of $30,000 was made by the last Congress, has been progressing favorably. The roof is ready for the tin covering and the copper gutters, and the interior is ready for the plastering as soon as the roof may be completed. The work has been well done, and managed for the interest of the government. The cost of the com-

pletion, like the cost of all the buildings or works for which appropriations were made, based upon estimates made one year ago, will exceed the appropriation. It is thought the building can be completed in course of the coming winter.

LOUISVILLE CUSTOM-HOUSE.

The alterations of this building, for which an appropriation of $15,000 was made, have been deferred until next spring. Some temporary rooms are now being partitioned off in the second story hall for the most pressing needs of the collector.

MILWAUKIE CUSTOM-HOUSE.

This building is in good condition. As in the case of the Buffalo custom-house, and others, the hot-air furnaces furnished or put up at the time of the erection of the building were abandoned the very first winter of their use, and the various rooms were ever since heated by stoves.

PORTLAND CUSTOM-HOUSE.

The business of Portland has been increasing so rapidly for several years past that the accommodations assigned to the revenue department in the present custom-house and post office have become utterly insufficient for the service, though the above building has been completed but a few years since. In accordance with the directions of the Senate Finance Committee, several plans were prepared by this office for the erection of a new building exclusively for the use of the revenue service. In preparing these plans, the exigencies of the case, the views of the collector of the port, and the locality (property of the United States) on which the building is to be erected, were consulted and considered as much as possible. They, together with estimates of cost, were submitted to the committee, and subsequently Congress made an appropriation of $50,000 for the purpose. It is to be regretted that this sum is entirely inadequate for the erection of the building contemplated and required. The plans have since been perfected, and arrangements are now making for beginning with the work.

PROVIDENCE (R. I.) CUSTOM-HOUSE.

The new roof for this building has been completed, and the building is now in good order. It became necessary to relay the flagging around the building, which had much and unevenly settled. Proposals for the work were invited by advertisements, which were considered exorbitantly high. However, no lower rates were to be obtained from the Providence mechanics, and I concluded to send the master-mason of the Treasury extension (with assistance) to perform the work. The result was an excellent job, and a saving of several hundred dollars.

PHILADELPHIA CUSTOM-HOUSE.

The work of alterations of this building has but shortly since been started. The progress made so far has been favorable.

ST. LOUIS CUSTOM-HOUSE.

This building, which was never properly finished, needs various repairs, as well as some alterations which would render it more convenient for the present service. After due consideration and consultation with the collector, it was thought best, however, to postpone the matter for more favorable times.

NEW ORLEANS CUSTOM-HOUSE.

This building was used for manufacturing gun-carriages during the time it was in possession of the rebels. After the surrender of New Orleans to the Union forces it was used for some time as a prison by the United States military authorities, who had sometimes as many as six hundred confined in the finished rooms. In March last the building was turned over by the military authorities to the agents of this department, and since then a good, though temporary, roof has been put on. The building also was cleaned of a huge amount of dirt and rubbish which had been accumulating for a number of years, and was thus rendered habitable for some bureaus. The vast extent of the building, and the high prices of labor and materials, have swelled the expenditures for these temporary improvements to $30,348 37. The large amount of old lumber, iron work, and machinery which was on hand to no use, and fast deteriorating, was sold for the sum of $12,632 53. It is also proposed to finish the flight of rooms designated for the use of the United States court of Louisiana in such a temporary manner that they may be occupied by the court.

I beg leave to especially direct your attention to the deplorable condition of three marine hospitals, viz., of that at Evansville, (Indiana,) Louisville, (Kentucky,) and San Francisco, (California.) The marine hospital at Evansville is well built and in good condition, but is gradually having all its ground swept away by the Ohio river. The encroachments of the river are such, and so rapid, that protection ought to be afforded without delay, or else the building itself may be irretrievably lost. The marine hospital at Louisville is so badly drained, and had been so neglected, that it became necessary to board the patients in the city hospital, and to close up the building. As there were never more than seven or eight patients in this hospital, and as the marine hospitals at Evansville and Cincinnati are so near by, there seems to be very little necessity for a marine hospital at Louisville, and I would respectfully recommend that Congress be asked for authority to sell the property.

The marine hospital at San Francisco, built at a time when good building materials could not be obtained at that place, is in such a dilapidated and unsound condition, and so awkwardly situated in consequence of the lowering of the surrounding streets by some twenty-five to thirty feet by the city of San Francisco, that I consider it bad policy to expend any large amount of money for repairs of the same. In fact, I would recommend that the same be taken down and rebuilt on the properly graded premises, and that Congress be asked for an appropriation of $50,000 for that purpose.

BURLINGTON MARINE HOSPITAL.

I again would call your attention to this building, and recommend that Congress be asked for authority to sell the property. There never was any demand for a hospital at that point.

CHICAGO MARINE HOSPITAL.

In accordance with the act of Congress approved June 20, 1864, the marine hospital, situate on Michigan avenue, between South Water street and the Chicago river, has been sold to J. F. Joy, esq., president of the Michigan Central Railroad Company, for the sum of $132,000. The price obtained is considered a fair one, and will be sufficient for the purposes of the above act. I have been inspecting, together with the collector, various sites for the erection of a new hospital, and was able to select a very eligible one. No definite action has, however, as yet, been taken on this subject. Meanwhile the plans for a new building are being completed and perfected.

BALTIMORE COURT-HOUSE.

The work upon this building has progressed very favorably during the past year, and it is expected that it will be completed in course of the coming winter. It is now under roof, and would be finished sooner if it were not for the difficulties of procuring the granite work for the porches; in fact, the building would have been completed some time ago if it had not been for this difficulty of procuring granite work. It is built of Maryland granite up to the top course of the cornice; this top course and the portico granite work are, or will be, of Dix island granite, which differs very little in appearance, and is furnished far more promptly. The whole of the work is done in superior manner. A change of the Fayette street portico steps became necessary in consequence of a change of grade of Fayette street, made by the city of Baltimore; it is thought, however, that a decided improvement has thus been introduced.

INDIANAPOLIS COURT-HOUSE.

This building remains still without proper approaches and sidewalks, no appropriation ever having been made for that purpose. It is otherwise in good condition except the roof. I would recommend an appropriation of $5,000 for the proper improvement and finish of lot, sidewalks, and approaches.

WINDSOR COURT-HOUSE.

Arrangements have been made, and are now in progress, for re-covering the roof of this court-house with slate. The roof was found in such wretched condition that it was thought unadvisable to use merely temporary repairs. The sheathing for the slate will be laid on top of the old corrugated galvanized iron, and fastened to the iron trusses. A very permanent roof will thus be gained without exposing the building to any injuries from weather during the time of the construction. The cost of the work will not exceed the amount of the appropriation made for the purpose.

STATEN ISLAND.

An appropriation of $30,000 was made by the 37th Congress for the repair of the wharves and warehouses of the revenue depot at Staten island, New York. This property was found in a very dilapidated state, and the sum appropriated insufficient to improve the whole of the extensive grounds. In consequence of this, it was thought advisable by the Hon. S. P. Chase to cede a portion of the grounds to the light-house establishment, who were selecting suitable sites for the erection of a light-house depot in the vicinity of New York, in conformity to the act of Congress approved March 3, 1863, on the condition of a transfer of $32,000 from the fund for the erection of such depot to the Treasury Department. This sum, together with the $30,000 appropriated for the repair of the property, was to be applied to the improvement of the whole, (including the portion ceded to the light-house establishment,) and more especially to the erection of a sea-wall and wharves for both branches of the service. A contract was accordingly entered into with Messrs. Blaisdell & Emerson for the repair of the warehouses, the erection of a sea-wall, the filling up and grading of the grounds, the erection of a wharf on cast-iron piers, the erection of a causeway to old ice-breaker, and the erection of boat-houses.

The work was begun in the fall of 1863, and some of it completed before the setting in of the ensuing winter. It was resumed in the early season of the current year, and is now nearly completed. The contractors had to contend with unusual difficulties. Since the time the contract was awarded to them the prices of labor and materials advanced to an unprecedented degree, and could only be procured slowly even at the advanced rates. In sinking the cast-iron piers at

a depth of water of over thirty feet, they met with rocks and a substratum which had not been foreseen nor expected. Notwithstanding all these difficulties, the work was pushed on vigorously, faithfully, and substantially. The sea-wall, it is true, does not present a finished appearance, and a committee of the Light-house Board even doubted its stability. The latter, however, was tested during one of the severest storms ever experienced in that latitude; wherever the wall had been completed, it stood the test perfectly. It was impossible (with the limited available means) to erect a more showy sea-wall of the extent required. As to durability and stability, I am satisfied that it will answer for all the purposes of the service for a long period of time.

Sundry other improvements have become necessary, and I recommend that an additional appropriation of $25,000 be asked for.

Appended to this report will be found a table showing the amounts available for each work on the 30th of September, 1863; the additional appropriations made and becoming available; the disbursements made during the year ending September 30, 1864; the balances available September 30, 1864; and the additional appropriations required; also a synopsis of disbursements made on the Treasury extension.

All of which is respectfully submitted.

I have the honor to be, very respectfully, your obedient servant,

ISAIAH ROGERS,
Supervising Architect.

Hon. W. P. FESSENDEN,
Secretary of the Treasury.

SCHEDULE A.—*Tabular statement of custom-houses, marine hospitals, court-houses, post offices, and miscellaneous buildings, showing the amount available for each work September 30, 1863; the additional appropriations made by the 38th Congress, 1st session; the amount available September 30, 1864; and the disbursements made from September 30, 1863, to September 30, 1864.*

CUSTOM-HOUSES.

Object.	Balances available September 30, 1863.	Appropriations, 1863, 1864.	Balances available September 30, 1864.	Disbursements, 1863, 1864.	Addition'l appropriations required.	Remarks.
Annual repair of custom-houses	$36,723 17	.....	$4,221 75	$32,501 42	.....	
Annual repair of custom-houses and marine hospitals	20,000 00	.....	18,985 87	1,014 13	.....	
Annual repair and preservation of public buildings	.....	$50,000 00	50,000 00	.....	.....	
Bangor (Maine) custom-house	7,817 00	.....	6,483 00	1,334 00	.....	
Boston (Massachusetts) custom-house	12,861 00	.....	135 19	12,725 81	.....	
Buffalo (New York) custom-house	23,347 40	.....	23,310 40	37 00	.....	
Charleston (South Carolina) custom-house	4,289 91	.....	.....	§4,289 91	.....	§ Carried to surplus fund.
Cleveland (Ohio) custom-house	276 60	.....	226 60	50 00	.....	
Chicago (Illinois) custom-house	17,547 70	.....	17,183 33	364 37	.....	
Cairo (Illinois) custom-house	50,000 00	.....	50,000 00	.....	.....	
Cincinnati (Ohio) custom-house	.....	25,000 00	5,000 00	20,000 00	15,000 00	
Detroit (Michigan) custom-house	1,999 58	.....	1,951 83	47 75	.....	
Dubuque (Iowa) custom-house	983 53	30,000 00	17,027 80	13,955 73	20,000 00	
Georgetown (District of Columbia) custom-house	760 79	.....	760 79	.....	.....	
Knoxville (Tennessee) custom-house	96,568 19	.....	96,568 19	.....	.....	
Louisville (Kentucky) custom-house	.....	15,000 00	15,000 00	.....	15,000 00	
Milwaukie (Wisconsin) custom-house	.....	*108 97	108 97	.....	.....	* Adjustment account.
New Orleans (Louisiana) custom-house	25,790 22	†12,632 53	8,074 38	30,343 37	.....	† Sale of old materials.
Nashville (Tennessee) custom-house	104,215 69	.....	104,215 69	.....	.....	
New Haven (Connecticut) custom-house	1,089 77	.....	1,064 63	25 14	.....	
Ogdensburg (New York) custom-house	108,858 25	.....	108,858 25	.....	.....	
Portsmouth (New Hampshire) custom-house	1,660 79	.....	1,660 79	.....	.....	
Perth Amboy (New Jersey) custom-house	20,625 34	.....	20,625 34	.....	.....	
Philadelphia (Pennsylvania) custom-house	.....	‡50,000 00	50,000 00	.....	.....	‡Inclusive of appropriation of $10,000 for vault.

SCHEDULE A.— *Tabular statement of custom-houses, marine hospitals, court-houses, &c.* — Continued.

CUSTOM-HOUSES.—Continued.

Object.	Balances available September 30, 1863.	Appropriations, 1863, 1864.	Balances available September 30, 1864.	Disbursements, 1863, 1864.	Addition'l appropriations required.	Remarks.
Portland (Maine) custom-house		$50,000 00	$50,000 00		$120,000 00	
St. Louis (Missouri) custom-house	$29,298 05		11,887 15	†$17 410 90	5,000 00	†Adjustment of accounts.
Sandusky (Ohio) custom-house	1,158 63		1,158 63			
San Francisco (California) custom-house.	17,410 14		17,410 14			
Toledo (Ohio) custom-house	3,391 89	*17 44	3,409 33		10,000 00	*Adjustment.
Wheeling (Virginia) custom-house	465 54		309 67	155 87		
	587,139 18	232,758 94	685,637 72	134,260 40	185,000 00	

MARINE HOSPITALS.

Annual repair of marine hospitals	$33,117 23		$19,744 92	$13,372 31		
Burlington (Vermont) marine hospital	6,475 47		6,475 47			
Chicago (Illinois) marine hospital						
Detroit (Michigan) marine hospital	8,582 25		8,582 25			
Evansville (Indiana) marine hospital	4,665 98		4,615 98	50 00	$50,000 00	
Galena (Illinois) marine hospital	1,616 66		1,616 66			
Portland (Maine) marine hospital	926 65		926 65			
Pensacola (Florida) marine hospital	20,947 04		20,947 04			
St. Louis (Missouri) marine hospital	25,925 05		25,925 05			
	102,256 33		88,834 02	13,422 31	50,000 00	

COURT-HOUSES.

Baltimore court-house	$86,185 43		$57,672 60	$28,512 83		
Baltimore post office	214 89			214 89	$5,000 00	
Indianapolis court-house	606 58	‡$22 35	628 93		5,000 00	‡Adjustment.
Key West (Florida) court-house	40,908 26		40,908 26			

Memphis (Tennessee) court-house	34,856 10		34,856 10			
Madison (Wisconsin) court-house	49,870 75		49,870 75			
Rutland (Vermont) court-house	3,953 90		1,631 55	2,322 35		
Raleigh (North Carolina) court-house	41,879 47			41,879 47		Carried to surplus fund.
Springfield (Illinois) court-house	53,866 60		53,866 60			
Tallahassee (Florida) court-house	49,915 90			49,915 90		Carried to surplus fund.
Windsor (Vermont) court-house	102 68	10,000 00	10,000 00	102 68		
	362,360 56	10,022 35	249,434 79	122,948 12	10,000 00	

MISCELLANEOUS.

Burglar-proof vaults, New York		$80,000 00	$6,644 80	$73,355 20		
Fire-proof vaults for depositories	$34,418 38	30,000 00	51,248 23	13,170 15	$50,000 00	
Treasury extension	110,420 64	1,028,560 06	474,079 42	664,901 28		
Heating treasury building	5,462 33	12,537 67	15,563 44	2,436 56	10,000 00	
Furniture for public buildings		20,000 00	19,581 57	418 43		
Vault for Philadelphia mint	913 12		913 12			
New Mexico public buildings	52,148 80		52,148 80			
Vaults, Ditto	175 13		175 13			
San Francisco branch mint	45,000 00		45,000 00			
Utah penitentiary	8,363 00		8,363 00			
Staten Island warehouses, &c	29,524 12	10,000 00		39,524 12	25,000 00	
	286,425 52	1,181,097 73	673,717 51	793,805 74	85,000 00	

RECAPITULATION.

Custom-houses	$587,139 18	$232,758 94	$685,637 72	$134,260 40	$185,000 00
Marine hospitals	102,256 33		88,834 02	13,422 31	50,000 00
Court-houses	362,360 56	10,022 35	249,434 79	122,948 12	10,000 00
Miscellaneous	286,425 52	1,181,097 73	673,717 51	793,805 74	85,000 00
	1,338,181 59	1,423,879 02	1,697,624 04	1,064,436 57	330,000 00

Schedule B.

Schedule of disbursements made on the treasury extension from September 30, 1863, to September 30, 1864.

Balance in treasury September 30, 1863		$110,420 64
Balance in hands of disbursing agent September 30, 1863		41,221 56
Appropriations for refunding amounts paid for furniture, &c.		150,000 00
Appropriations for continuation of north wing, &c		750,000 00
Appropriations for furniture		50,000 00
Amount refunded from War Department		40,599 10
Amount received from sale of old materials		5,933 00
Amount received from Commissioner of Public Buildings		500 00
		1,148,674 30

Amounts paid for materials and labor:

Granite, marble, and other stone work	$84,986 34	
Iron and copper work	96,194 53	
Brick, cement, and sand	7,396 96	
Lumber	37,059 37	
Glass	7,596 14	
Plumbing materials	3,854 08	
Gas-pipes and fixtures	9,477 22	
Plastering	14,489 73	
Night-watch	5,147 28	
Hardware	13,337 18	
Heating apparatus	18,642 50	
Furniture	31,131 63	
Vaults and vault-locks	67,247 73	
Freight and wharfage	7,125 86	
Miscellaneous	19,200 11	
		$422,886 66
Carpenters	50,690 85	
Brick and stone masons	18,640 60	
Iron-workers and plumbers	31,472 12	
Riggers	5,656 17	
Painters and paints	20,896 05	
Cabinet makers	35,779 90	
Labor and teaming, &c	61,890 14	
Contingent pay-roll	16,988 79	
		664,901 28
Error in amount reported available September 30, 1863		9,693 60
Balance in hands of disbursing agent September 30, 1864		31,177 06
Balance in treasury September 30, 1864		442,902 36
		1,148,674 30

Amounts included above to be refunded, viz:

Furniture and cabinet work	$16,911 53
Work for note bureau	66,946 71
	83,858 24

REPORT OF THE CHAIRMAN OF THE LIGHT-HOUSE BOARD.

TREASURY DEPARTMENT,
Office Light-house Board, Washington City, Oct. 5, 1864.

SIR: I have the honor respectfully to submit a report of the operations and condition of the light-house establishment for the fiscal year ending 30th June, 1864.

In the first light-house district, embracing the coasts from the northeastern boundary of Maine to Hampton harbor, New Hampshire, (44 lights,) the various light-house structures have received careful and intelligent supervision, and their condition gives assurance of faithful discharge of duty on the part of the employés.

The stations have been renovated, and such repairs made as opportunity and the exigencies of the service would allow. Repairs more or less extensive have been made at the following stations, viz: Manheigin, Whitehead, Boon island, Martinicus, Saddleback, Owl Head, Deer Island Thoroughfare, Hendrick's Head, Negro island, Libby island, Eagle island Point, West Quoddy Head, Moose Peak, Nash's island, Narraguagus, Petit Menan, Mount Desert Rock, Bear island, Edgemoggin, Pumpkin island, Tenant's harbor, Seguin, Fort Point, Cape Elizabeth, Isle of Shoals, Portsmouth, and Whale's Back.

Every station in the district has been visited by officers or agents of the board within the year, and all indispensable requisites supplied. Under a system of constant supervision, all defects, needs, &c., are at once discovered and remedied.

The following stations yet require attention to bring them to a condition of the highest efficiency: Portland Head, Cape Elizabeth, Wood island, Goat island, Boon island, Little River, Libby island, Mount Desert Rock, and Moose Peak.

The light-keepers have been generally faithful to their trust, and in all cases the lights, so far as this board is advised, have given satisfactory aid to navigation.

An appropriation of $20,000 was made at the last session of Congress "for additional aids to navigation to facilitate the entrance to Portland, Maine, by suitably marking Alden's Rock and Bulwark Shoal, or otherwise." After a careful investigation of the case, it is the opinion of the board that the proposed end will be best subserved by increasing the height of the tower at Portland Head and placing therein a light of the second order, which will have a range of visibility beyond Bulwark Shoal, and, in conjunction with the present lights at Cape Elizabeth, by giving to an entering vessel her exact position enable the master to avoid Alden's Rock. This plan has been adopted and the necessary instructions given for its immediate execution.

The buoyage of the district (comprising 290 buoys) has been maintianed in an efficient condition, and the tenders have been usefully employed during the year. The severity and continuance of storms during the last spring carried from their stations many of the buoys, but they have been promptly replaced.

The Coast Survey has, at the request of this office, made examinations of several localities in this district for which buoys had been required, and it is expected that the necessary buoys will be placed upon the opening of the next working season.

The second light-house district embraces the coasts from Hampton harbor, New Hampshire, to Gooseberry inlet, Massachusetts, (53 lights.)

Important and needful repairs have been in progrss at Cuttyhunk, Cape Ann, Marblehead and Point Gammon light-houses; and at the following stations renovations, reported as in progress at the date of the last annual report, have been completed: Wing's Neck, Edgartown, Narrows, Eastern Point, Long Island Head, Ipswich, Great Point, Boston, Monomoy, Long Point, Cape Poge, Chatham, Sandy Neck, Bishop and Clerks, Plymouth, Palmer's island, and Brant Point.

At Newburyport, in addition to repairing the works constructed for the pro-

tection of the site, it was found necessary, in order to conform to a change of channel over the bar, to remove the Bug Light to a new position. The buoys have been shifted so as to conform to the change.

The general state of the various aids to navigation in the district furnishes substantial evidence of the zeal and fidelity of the officers charged with the service.

The duties of repairing and of supplying deficiencies of illuminating apparatus and appliances have been performed with commendable assiduity and intelligence.

The iron beacon on Black Rock (Gloucester harbor) was run into by a vessel and seriously damaged. It was promptly repaired and re-established.

The wooden spar-beacon on Hardy's Rock was carried away and destroyed by the sea. A new beacon of a similar character has been provided, and will be placed in position at the first suitable opportunity.

The stone beacon at Great Fawn bar having become injured by exposure to heavy storms, instructions for its complete repair have been given.

Needful repairs to the fog-signals (bells) at Eastern Point, Cape Ann, and Race Point have been made. The signal at Cape Ann (whistle sounded by caloric engine) has been reported as being inefficient from want of power.

Minor repairs are yet required at a few stations, which, completed, will leave the district in a state of high efficiency.

The engineer reports that not a single case of neglect of the illuminating apparatus has yet reached his knowledge—a fact attesting the thorough instruction of the keepers.

The several light-vessels of the district (except Cross Rip) have remained almost continuously at their stations, the removals by stress of weather having been but of a very temporary character. The Cross Rip vessel was driven ashore at Cape Poge and lost. Her station has been occupied by the relief vessel of the district until within the past few weeks, when a new vessel becoming available, was sent to permanently occupy the station.

The buoyage and beaconage (518 buoys) have been well attended to, and seem to have given general satisfaction.

The duty of inspecting and testing oil and other supplies—the greater portions of which, for the whole establishment, are procured and distributed from this district—has been faithfully and satisfactorily performed.

The third light-house district embraces the coasts from Gooseberry Point, Massachusetts, to Squam inlet, New Jersey, including Lake Champlain and Hudson river, (92 lights.)

The various aids to navigation in this district have been zealously cared for, and a rigid and constant supervision has shown them to be in a state of great usefulness.

Upon securing the site at Staten Island as a depot for light-house purposes, measures were immediately taken to push forward to completion the buildings necessary for the reception of stores, supplies, &c. The storehouse is now well advanced in construction, and it is proposed to remove thither a large portion of the costly illuminating apparatus now stored at New York, thus saving high rent, and avoiding much risk of damage from fire, &c.

The embarrassments that have arisen in the prosecution of the work necessary to complete the arrangements for the transfer of this property from the revenue marine bureau to the Light-house Board have been submitted to the honorable Secretary, and it is hoped may receive his early attention.

The work of repairs at Princess Bay light-house, in progress at the date of the last annual report, has been completed in a satisfactory manner. The keeper's dwelling is very old, and its replacement at a suitable moment by a new structure is proposed.

The lantern glass at Sandy Hook east beacon having been frequently shattered by the firing of the guns at the neighboring fort, it is proposed to remove,

at some future time, the beacon to a position nearer to the point of the Hook, which it is intended to mark, and which is steadily making to the northward.

Repairs and renovations, more or less extensive, have been made at the following light stations: New London, Robbin's Reef, Sand's Point, Brockway, Black Rock, Great Captain's island, Norwalk island, Old Field Point, Faulkner's island, North Dumpling, Morgan's Point, Gull island, Plum island, Horton's Point, Saybrook, Watch Hill, Point Judith, Prudence island, Bristol ferry, Nayat Point, Dutch island, Gardiner's island, and Eaton's Neck. Other repairs, &c., will be made as time and opportunity offer, and will be duly reported.

Extensive renovations at Warwick, Sand's Point, and Nayat Point light-stations are indispensably necessary, and special appropriations to meet the expense are asked of Congress.

The special appropriation for beacons at Connimicut Point and Bullock's Point, in Providence river, having been found insufficient for the erection of suitable structures, an estimate is submitted of additional funds required.

Extensive renovations are found to be required at Split Rock light-house, in Lake Champlain, and a special estimate of funds necessary to meet the expense of putting it in good condition is submitted.

The light-vessels have proved of great service, and have been maintained constantly at their stations during the year, none having gone adrift, and no accident or damage having occurred to any.

The Stratford Point light-vessel, for the rebuilding of which a special appropriation was, at the last session of Congress, asked but not granted, has undergone extensive and costly repairs from the general appropriation fund, and was, in May last, replaced upon her station. She is now in an efficient condition.

The Succonneset Shoal light-vessel having been judged to be in need of repairs, was taken into New London, and an examination showed that immediate and extensive overhauling was required. This was authorized and is now under way.

A fog-bell at Stratford Point, for which a special appropriation was made by Congress, has been erected, and is now in useful operation. The signal consists of a bell, worked by clock-work machinery.

The buoyage of the district (396 buoys) has been creditably performed. It is scattered over a considerable area, and requires unremitting vigilance; yet every requirement of navigation in this respect has been fully met, so far as this board is advised.

The bell-boat which had been repaired with the intention of replacing it at Shagwong reef has not been so placed, the experience of this board tending to discourage any attempt at using such vessels, especially in high latitudes, where the driving spray in winter soon aggregates into such a mass of ice as to insure the foundering of the boat.

The day-beacons in Bridgeport harbor need some repairs, which have been authorized and are now in progress. Saybrook beacon is also in need of some minor repairs, which will be attended to next summer.

The other beacons and spindles are in good order.

The two tenders of the district have been constantly and usefully employed.

The fourth light-house district embraces the coasts from Squam inlet, New Jersey, to Metomkin inlet, Virginia, including Delaware bay and tributaries, (18 lights.)

The aids to navigation within its limits have been kept in an efficient condition, with but few casualties or unusual expenses.

Congress having at its last session appropriated $17,500 for rebuilding the beacon-light at Cape Henlopen, the old site being unsuitable by reason of the beach at that place having made out some 400 yards since 1842, vigorous measures to complete the work at the earliest practicable day have been taken, and is it now making good progress.

Considerable apprehension was experienced in consequence of the reported encroachment of the sea at Absecum, which it was stated would, in a short time, imperil the existence of the light-house structure at that point. The alarm seemed to be well grounded but it was, and is, the settled conviction of the board that the encroachment had, from natural causes, reached its extreme limit, and that henceforth the water would recede. To determine this point a series of tests was inaugurated, surveys and measurements being made every two weeks, and thus far they have confirmed the previous conviction of the board as to the cessation of encroachment.

The necessity of works of protection to the light-house site at Cohansey, which is in danger from the steady encroachment of the water, and for which a special estimate was submitted at the last session of Congress, still continues, and an item to cover the expense is again submitted.

The Five Fathom Bank light-vessel, which occupies a position of great exposure off Cape May, was by stress of weather, in April last, driven from her moorings. She was taken to Wilmington, and after having new chain and anchor provided, was returned to her post.

The buoyage of the district (91 buoys) has received careful attention, and has given general satisfaction.

The fifth light-house district embraces the coasts from Metomkin inlet, Virginia, to New River inlet, North Carolina, including Chesapeake bay and tributaries, Albemarle and Pamplico sounds, (65 lights.)

In those portions of the district which have been brought permanently within the control of the government, the lights and other aids to navigation have been maintained in an efficient condition.

The remainder of the district is at present not in a condition to receive the attention of the board.

The fine first-order light-house at Cape Charles, which had progressed at the breaking out of the rebellion to a height of 80 feet, has been completed in a substantial manner, fitted with a first-order lens apparatus of the most approved pattern, and a light exhibited therefrom on the evening of the 7th ultimo. Owing to the liability of this important light to an attack from the enemy, a competent military guard for its protection has been asked for. Congress at its late session made an appropriation of $20,000 for completing the work, but in consequence of the unprecedented rise in the price of labor and materials of all kinds, it was found that the expense overran the amount. An appropriation to cover the deficiency is submitted.

Repairs and renovations more or less extensive have been made at the following stations: Hog island, Blakiston's island, Piney Point, Pool's island, and North Point. Upon the last four, new lanterns have been placed.

The light-house at Sharp's island, in Chesapeake bay, is in imminent danger of being destroyed by the washing away of the bank on which it stands. The district engineer is of opinion that it cannot possibly remain during the coming winter. He has therefore made arrangements to have a temporary light shown, on the destruction of the light-house. An estimate of the amount necessary to meet the expense of erecting a new structure, in a secure position, is submitted.

The light-houses at Clay island, Fog Point, Watt's island, Tuckey Point, Fishing Battery, and Havre-de-Grace, being at present fitted with lanterns of an old and exceedingly defective character, the interests of commerce demand that steps be taken to remedy the evil. An estimate to cover the cost of furnishing new lanterns of proper plan is submitted.

The fine cut-stone tower at Cape Henry (built in 1791, and yet in excellent order) is liable to injury from fire, in consequence of having an old-fashioned wooden stairway, greatly decayed and insecure. It is deemed advisable to provide a cast-iron spiral stairway for this tower, and an estimate to cover the cost is submitted.

The light-house at Wade's Point, whose destruction for the second time was alluded to in the last annual report, has not been re-established, the danger of a recurrence of injury from the rebels not yet having been entirely removed. The interests of commerce at this time will not materially suffer from its not being lighted.

At the date of the last annual report, a temporary light-vessel marked Brant Island shoal. Since then a screw-pile light-house has been erected on the point of the shoal, and lighted, and the vessel removed to Newbern, where in March last she was sunk by order of the military authorities, as an obstruction to rebel naval movements in Neuse or Trent river.

The light-stations at Cape Hatteras and Cape Lookout being fitted with wooden steps, and liable from that cause to accidents from fire, estimates for proper stairways of cast iron are submitted.

The absence of any special pressing necessity for re-establishing at this time the lights at Body's island, Pamplico Point, and Bogue Banks has induced the board to abstain from any action in the premises.

The light-vessel service of the district has been carefully attended to.

Two of the light-vessels which were mentioned in the last annual report as being detained in New Bedford, under the lien law of the State, for debts due by the contractor, have been placed upon the stations on Upper and Lower Cedar Points in the Potomac river, for which they were originally designed. A competent guard for their protection has been detailed from the army.

Extensive repairs have been made to the Willoughby spit light-vessel.

The light-vessel which formerly marked the Tail of the Horse Shoe being, by the re-exhibition of Cape Henry light-house, rendered unnecessary, was placed to mark an obstruction in Elizabeth river, upon the recommendation of the military authorities.

Upon application of the War Department, in May last, a light-vessel was placed to mark a spit off the entrance to York river, Virginia, where she remained until August 2, at which time, her services being no longer desired as a means of facilitating the movements of army transports, she was removed. She has since been placed on Wolf Trap shoal.

The light-vessel formerly marking Royal shoals, North Carolina, was removed by the rebels in 1861, and sunk as part of the barricade in Neuse river; but after the capture of Newbern by the United States forces, she (with two others) was raised. She was subsequently brought to Baltimore, thoroughly repaired, and is now employed as a relief vessel for the district.

The light-vessel on Frying-Pan shoals, North Carolina, was driven from her station during a severe storm and put into Port Royal, South Carolina. Her services being indispensable elsewhere, she has not been returned to her station, but the board hopes soon to be able to replace on the Frying-Pan shoals a new vessel now building under contract.

In May, 1864, a raiding party of the enemy crossed the Potomac and effectually destroyed the lantern at Blakiston's Island light-house, besides committing other depredations at the station. The necessary repairs, including the furnishing of a new lantern, are in progress.

Upon the movement of the army of the Potomac to the south side of James river, necessitating the use of that highway as a medium for transporting stores and supplies, the lights at Point of Shoals, White shoals, and Deep Water shoals, were re-established, and have been, up to this time, continued in operation. Their permanency will depend upon their protection from the enemy.

The excavation of iron ore at Lazaretto Point, near Baltimore, has been continued during the year, as weather and other circumstances would permit, and about 700 tons have been obtained and sold, the net amount accruing therefrom, $1,042, having been paid into the treasury of the United States. The

general appearance of the place of excavation gives assurance of a much larger yield as the work progresses.

The advantages expected to arise from the storehouse and wharf belonging to the light-house establishment at that place have not been enjoyed to the full extent anticipated, for the reason that the greater part of the storehouse has been appropriated by the military authorities for storing ordnance materials.

The buoy service of the district (548 buoys) has been satisfactorily performed, though under great embarrassment from scarcity and high prices of labor and materials.

The rebels having, in July, destroyed a part of the railroad bridges over Bush and Gunpowder rivers, gunboats have been stationed as a guard against a recurrence of the damage. To facilitate the movements of these vessels, the channels have been suitably marked by buoys.

In the sixth light-house district, embracing the coasts from New River inlet, North Carolina, to Cape Canaveral light-house, Florida, inclusive, (36 lights,) the limited amount of territory recovered to the authority of the United States has, as reported last year, resulted in but few measures for restoring lights and other aids to navigation.

The new lights established to facilitate entrance into Port Royal harbor have proved of immense benefit to the large commerce seeking that port. The vessel at Fishing Rip, a part of the system of ranges for this entrance, was furnished the board by the Navy Department, but was found to be too old and unseaworthy to contribute as effective service as was desired. She was accordingly removed and converted into a hulk for storing light-house materials and supplies, and the light-vessel formerly marking Frying-Pan shoals, North Carolina, which had been driven into Port Royal by stress of weather, was stationed at Martin's Industry, in place of the vessel formerly there, and which was deemed to be too small for so exposed a position, while the latter vessel (Martin's Industry) has been placed on Fishing Rip. This exchange has been found to be of great benefit to the service.

The Rattlesnake Shoal light-vessel, off Charleston, was, during a severe storm, driven from her station, with loss of moorings. She was supplied with new chains and anchors, and replaced at her post.

On the inauguration of the military movement into Florida, by way of St. John's river, in February last, the general commanding represented to the board the absolute necessity of suitably marking the changeable and narrow channel of that river. Prompt measures were taken to comply with the request of the military authorities, and as soon as possible the necessary buoys were placed in position, and the lights exhibited from the old tower at the mouth of the St. John's.

Steps have been taken, also, upon the recommendation of the military authorities, to re-establish the light formerly in operation at Amelia island; the necessary repairs and renovations were made, and its re-exhibition at an early day is confidently looked for.

The buoyage of the district, (272 buoys,) so far as practicable, has received careful attention, the following localities having been properly marked: Charleston bar, St. Helena sound, Port Royal, Tybee bar, Calibogue sound, and Nassau sound.

The seventh light-house district embraces the coast of Florida, from St. Augustine to Egmont key, (12 lights and 79 buoys.)

The lights and other aids to navigation, so far as they are under the control of the board, have been kept in useful operation, and it is hoped that the recent successes of the United States forces in the Gulf will have the effect to bring within the range of restoration other lights and buoys.

When it becomes advisable to do so, the board will re-establish these aids as rapidly as safety, time, and other circumstances will permit.

In the eighth and ninth light-house districts, embracing the coasts from Egmont key to Rio Grande, Texas, (50 light-stations,) the various aids to navigation, so far as they have been recovered to the custody of the United States, have been carefully attended, and their condition, under the peculiar circumstances of the case, is highly satisfactory.

Upon the occupation of the southern portion of Texas by the United States forces, application was made by the military authorities for the re-establishment of the lights at Point Isabel, Ship shoal, Point de Fer, Timballier, Aransas Pass, and Padre island. Measures were promptly inaugurated to ascertain the condition and necessities of these stations, and suitable illuminating apparatus has been sent out to be put in position when the requisite repairs shall have been completed.

The investigation on this occasion developed the following state of facts:

The light-house on Southwest reef was found to have sustained much damage from the rebels.

At Matagorda the foundation has been in a great measure blown out and the tower partially thrown down. The keeper's dwelling is gone.

Matagorda Swash light-house has been entirely destroyed.

Padre Island light-house has been entirely destroyed.

Saluria light-house has been partly destroyed.

The re-establishment of the light at Barrataria (discontinued in 1859) having become a measure of considerable importance to the army and navy, by reason of the occupation of Fort Livingstone, and the consequent frequent intercourse between that point and other stations on the coast, was authorized. This light is, moreover, a convenient point of departure for the numerous transports, &c., going westward by the inside passage at Ship shoal.

Upon the capture by the United States forces of the approaches to Mobile bay, immediate steps were taken to re-establish such lights in that vicinity as might be assured of permanent security. The necessary examinations have been made with a view to determine the extent of repairs required, and the lights will be re-exhibited whenever it is deemed advisable.

The tower at Mobile Point, standing in close proximity to Fort Morgan, was completely riddled by heavy shot during the bombardment of that work. It will eventually have to be entirely rebuilt. A temporary light of a small class has been established upon the highest point of the southwest bastion.

The magnificent tower at Sand island was blown up by the enemy early in the commencement of the rebellion. It will have to be entirely rebuilt. Meanwhile steps have been taken to establish temporarily a fourth-order light at this point.

The bell-boat formerly stationed to mark the entrance to Pass à' l'Outre, and which had been removed from its station, has been recovered and taken to New Orleans.

The bell-boat which marked Mobile bay entrance was found partially buried in the sand on Dauphin island. Instructions for its recovery have been given.

The day-beacons at Pass à l'Outre were, during a very severe storm, destroyed, but measures were adopted to replace them by approved wooden structures.

The two tenders of the district have been constantly and usefully employed in attending buoys and in transporting workmen and materials for the repair and re-establishment of lights, &c. They have received considerable renovation during the year.

On the 19th of July last the tender Martha, while engaged in the performance of her duties, was captured in Chandeleur sound by a party of rebels. After stripping the vessel of fixtures, rigging, furniture, and cargo, she was burnt, and her master and crew taken prisoners. The master subsequently escaped and returned to New Orleans.

The buoyage of the district (124 buoys, &c.) has received as much attention as the difficulties of the case would permit.

The tenth light-house district embraces all lights, &c., on Lakes Erie and Ontario, and St. Lawrence and Niagara rivers, (33 light-stations.)

The several aids to navigation are generally in good order, but few extensive repairs having been found necessary. The inspector states that no reports unfavorable either to the lights or keepers have been brought to his notice, and that, so far as known, general satisfaction has been given to navigators and others interested in commerce.

On the night of the 1st of January last the light-house at Green island, Lake Erie, was destroyed by fire. Measures were taken to provide temporary expedients for the exhibition of the light during the season of navigation, and an estimate of funds required for the erection of a new structure is submitted.

Various and extensive repairs and renovations having been found to be necessary at Galloo Island and Turtle Island light-stations, special estimates of appropriations required to cover the expense of these works are submitted.

The light at Port Clinton, which was discontinued in 1859, having been represented to be necessary to the commerce of the lakes, the question was investigated, and the result was such as to warrant the board in recommending to the honorable Secretary of the Treasury the re-establishment of the light. The necessary authority having been given by the department, the light was re-exhibited August 1, 1864.

The buoyage of the district (72 buoys) has received careful attention, and these aids to navigation have been maintained in an efficient condition with less than the usual number of casualties.

Representations having been received to the effect that the channel formerly used in Sandusky bay had again become practicable, and that the old ranges which had been discontinued on account of uselessness should be re-established to facilitate the commerce of the locality, the necessary surveys to verify the report were ordered and made, and resulted in its confirmation. The work of re-establishing these ranges will be commenced as soon as practicable, plans and estimates for permanent works being now in course of preparation. Meanwhile a temporary range has been established.

The eleventh light-house district embraces Lakes St. Clair, Huron, Michigan, and Superior, and Green bay and tributaries, (48 lights.)

The aids to navigation within its limits have been carefully attended, and many important works of renovation have been completed during the year, or are now in progress.

Under authority of the department, the light at Round island, (river Ste. Marie, above the Sault,) discontinued in 1859, has been re-established, and the light will be re-exhibited in a few days.

In consequence of a reported difficulty in distinguishing the small light at St. Joseph's from other lights in the vicinity, the color of the light has been changed from white to red, which it is hoped will effectually remove the cause of complaint.

The light-house at La Pointe was found to be in danger in consequence of the loose sand on which it is built having been by the action of the wind removed from around the foundation timbers. Stone piers sunk in the sand, and supporting cast-iron columns, have been erected, and on these the building has been placed. Should experience prove that the movement of the sand is not arrested, the surface of the ground will be coated with gravel.

The work upon the structures at Kenosha, Racine, and Milwaukie, for which special appropriations were made, has not satisfactorily progressed during the year. Notwithstanding every effort on the part of this board, it has been found impossible to secure from the contractors the necessary deliveries of timber, as agreed upon; and after exhausting every means to induce a performance of their

obligations, the board has felt itself called upon to order its engineer to declare the contracts forfeited for non-fulfilment, and to procure the requisite materials in open market. A scarcity of lumber has prevented, up to this time, any large quantity of timber being obtained. The purchases will be continued, as opportunity offers, during the autumn and winter, and it is hoped that a sufficient amount will have been collected during that time to warrant the commencement of framing in the spring. A considerable portion of the stone and iron work has been procured, and is now ready for use.

The fog-signal authorized by Congress for Port du Morts has been completed and put in operation. The signal consists of a trumpet blown by means of a caloric engine.

Renovations, more or less extensive, have been made at Fort Gratiot, Cheboygan, Tail Point, and Raspberry Island light-stations.

Much yet remains to be done to bring the various aids to navigation in this district up to a condition of the fullest efficiency, but no efforts will be omitted to push forward all works of indispensable necessity as time and means permit.

Extensive repairs are required at Copper Harbor, Eagle Harbor, Grand Island, Marquette, Ontonagon, and Windmill light-stations, for most of which works special appropriations are recommended.

The buoyage of the district (37 buoys) has been maintained in a satisfactory condition, but it has been found that many of the buoys have been dragged from their stations by passing tow-boats, an evil which seems to demand the interference of the law officers of the government.

The twelfth light-house district comprises the entire Pacific coast of the United States, (18 lights.)

The light-house structures in this district were mainly erected or largely rebuilt, under the direction of this board, and the benefits of original construction upon scientific principles are strongly manifested in the small amount of repairs they require annually.

The temporary light at Ediz Hook is yet continued. Difficulties have arisen to delay the construction of the permanent work authorized for this place. During the last spring a remarkable freshet destroyed the settlement of Port Angelos, and so complete was the destruction of the town that for a time it was believed that some other place would be selected as a port of entry, which would have lessened the necessity for the light. Owing to the advance in the price of labor and materials, the expense of the permanent work will overrun the appropriation, but the completion of the structure has been ordered, and the excess will be defrayed out of the general appropriation fund.

During a severe storm in October, 1863, the foundation of the light-house at Umpqua river was washed away to such an extent as to cause serious apprehension that the structure would be destroyed on the recurrence of a storm. The lens was accordingly taken down and removed. While the workmen were engaged in taking down the lantern, preparatory to removing it, the tower began to exhibit symptoms of tottering, and soon afterwards fell. The board is of opinion that the interests of commerce will be best subserved by establishing a new light upon Cape Arago, instead of re-erecting at Umpqua, and a special estimate to cover the cost is submitted.

The work of removing the light at Fort Point to a position over the stairway of the fort, which was in progress at the date of the last annual report, has been satisfactorily completed and the new light exhibited.

A suitable building, to accommodate the buoys and appliances stored at Mare island has been erected, and great benefit is anticipated from the increased protection to this species of property.

New iron buoys having been found to be required for service on this coast, it was deemed advisable, in view of the enormous expense of freight from the

Atlantic seaboard, to have them constructed at San Francisco. A contract for their manufacture, on highly advantageous terms, has been concluded.

The general condition of the various aids to navigation is very satisfactory.

On application of this board, an appropriation was made at the last session of Congress for providing additional light-vessels for general service. Upon opening the bids obtained in response to the public advertisement, it was found that the prices were such as to admit of the construction and equipment of but three vessels, (two of 1st class and one of 2d class,) within the amount appropriated ($150,000.) Contracts for such vessels were accordingly entered into, and the work is making good progress. It is proposed to place one of these vessels at Frying-Pan shoals, in place of the boat transferred from that station to Martin's Industry.

Under the circumstances of unprecedented advance in prices of all materials and labor and the great scarcity of workmen, the board feels that it has reason to congratulate itself on having accomplished so much as has been done during the year. It avails itself of this occasion to acknowledge valuable assistance and facilities received from the War and Navy Departments and the Coast Survey.

The necessity for seeking for an economical and abundant illuminating material for the lights under its charge was pressed upon the attention of the board at its first establishment by the rapidly increasing price of sperm oil and the progressive increase of lights required to meet the demands of a constantly developing commerce. These lights now amount in the aggregate to about 500.

Accounts having been received of the introduction of colza or rape-seed oil into the light-houses of France with favorable results, measures were taken to import some of the oil for experiment and a quantity of the seed for distribution. Both the imported oil and that of home production have been used in some of our light-houses, and there is good reason to expect that, when circumstances shall admit of its more extensive cultivation, and experience shall perfect its purification, some reliance may be placed on this source of supply. One thousand gallons were purchased in May, 1861.

Careful experiments have been made and are still in course of prosecution with lard-oil. The results so far have been very favorable, both as to illuminating power and fluidity at low temperature, and the board has strong reason to expect that it may ere long look to this material for an economical and unfailing supply.

In the last annual report some statement was made of the relative cost of these illuminating materials which will apply substantially at this time.

Fifteen thousand gallons of lard-oil were purchased in April and distributed for use during the winter.

Since the last annual report the board has been called upon to lament the loss of one of its original and most useful members, in the death, on the 22d of April, of Major General Joseph G. Totten. A member of the special board to inquire into the condition of the light-house establishment, and then of the present board, he took an important part in all their duties, and the engineering operations of the establishment bear testimony to his professional industry, and especially is the splendid light-house on Minot's ledge a monument of his engineering skill.

I am, very respectfully,

W. B. SHUBRICK,
Rear-Admiral, Chairman Light-house Board.

Hon. W. P. FESSENDEN,
Secretary of the Treasury.

REPORT ON THE COAST SURVEY.

UNITED STATES COAST SURVEY STATION,
Near Danbury, Connecticut, September 30, 1864.

SIR: In conformity with the regulations for the Coast Survey, I have the honor to submit my estimates for the fiscal year 1865–'66, and would respectfully request that, if approved, they may be included with your estimates for appropriations.

A brief statement of the progress made during the year will be appended, showing the adaptation of the survey in all parts of its organization to the present requirements of the government service in connexion with military and naval operations.

The estimates now presented agree in amount with the appropriations of last year, which, like that for the preceding year, was much less than the appropriation for 1861–'62.

They conform to the plan of working approved by the department, being designed to keep the survey in progress in its regular work, to render active aid in co-operating with the fleets and armies of the Union, and to continue the publication of maps and charts now rendered so important as adjuncts in prosecuting the war. The evidence as to the value of our field and office work in that connexion has been made conclusive by the uniform tenor of communications from officers of high position in the army and navy.

The war has not essentially changed the distribution of the working parties. About the same number as heretofore assigned to duty on the southern coast has been in surveying service with the national forces in the rebellious States. Four parties have acted under the orders of Admiral Lee, three with as many vessels under Admiral Dahlgren, and two under Admiral Porter. For the military service in Eastern Virginia and Maryland, six parties have been employed during parts of the season: in West Virginia, three parties; at Knoxville, two parties; at Nashville, two; at Chattanooga, five; previous to and during the movement on the rebel works at Missionary ridge two parties accompanied the army in Louisiana and Texas, and one was attached to the Florida tax commission.

From the several officers in whose commands the parties have been associated, warm acknowledgments have been reiterated as to the importance of the services rendered and their bearing on the success of military and naval operations.

My annual report will contain, as usual, notices of the work in detail. Very brief mention will here be made of the localities and nature of this class of operations, and after it, mention of the advance made in the regular progress of the survey of the coast.

The survey has been kept in full co-operation with the blockading squadrons and with the armies of the Union, as heretofore. In the vicinity of Baltimore the survey of ground connected with the defences has been continued by Sub-Assistant Iardella, and during part of the season by Assistant C. M. Bache.

The topography of the approaches to the capital has been further extended beyond the northeast boundary of the District of Columbia by Sub-Assistant Ferguson. A minute topographical survey has been made of Arlington Heights by Messrs. Hergesheimer and McMath for the War Department, and special determinations for the effective use of heavy artillery at Washington, New York, and Boston, by Assistant Schott. Sub-Assistant Donn is now engaged in surveying the approaches to the fords of the Potomac above and below Harper's Ferry. In West Virginia the latitude and longitude have been determined at eleven military posts by Assistant Dean and Sub-Assistant Mosman, and the magnetic variation of most of them by Mr. S. H. Lyman. At Clarksburg, Virginia, Mr. Lindenkohl assisted in compiling the military map of West Virginia, and

computed the latitude of numerous points from the sextant observations of Lieutenent J. R. Meigs, chief engineer. Sub-Assistant Rockwell, before making a plane table survey of Strawberry Plains and of the city of Knoxville and ite dedefensive works, in which duty he was associated with Mr. R. H. Talcott, was engaged in similar service at Sewall's Point, Virginia. Assistant West, after reconnoissance duty, which terminated with the battle of Missionary ridge, Tennessee, was in the same way employed at Bermuda Hundred, Virginia Sub-Assistants Dorr and Donn made plane-table surveys of the environs and defences of Nashville, and of Chattanooga, Tennessee, previous to the repulse of the enemy from the south approach to that city; and Mr. Donn, in conjunction with Mr. Marindin, afterwards rendered similar service for the army near Petersburg, Virginia. Sub-Assistant Boyd has made a complete survey of the battle-field of Chickamauga, Georgia, and is now under orders to rejoin the army at Chattanooga.

In connexion with the North Atlantic blockading squadron, Mr. Strausz, and subsequently Mr. Cordell, have made resurveys of the bar and channel into Beaufort, North Carolina. The last-named officer sounded the harbor and the entire channel which leads from Beaufort through the straits and through Core sound, marking its course by buoys and stakes. The same parties reset the buoys between the bar and Fort Macon to conform to the resurveys. Mr. Strausz also made a resurvey of Hatteras inlet and sounded out a stretch of six miles of the Neuse river below Newbern, marking the channels in both localities by buoys. The triangulation of the Neuse river was at the same time continued by Assistant Fairfield. Sub-Assistant Halter made a triangulation and shore-line survey of Croatan sound and of Roanoke river, North Carolina, above and below Plymouth. These waters were thoroughly sounded by Sub-Assistant Bradford, and the channel through the latter was marked by spar buoys. He has since sounded and made a chart of Trent's Reach, in James river, Virginia, and is now engaged in the survey of Bogue sound. A careful reconnoissance of the Cape Lookout shoals has been made by Lieutenant Commander Phelps, with the surveying steamer Corwin.

Attached to the South Atlantic blockading squadron, and for service also with the military forces, three parties, with the surveying steamer Vixen and schooners Bailey and Caswell, were assigned. Assistant Boutelle, besides the complete development of the channels at present leading into Charleston harbor, in which, also, Assistant Edwards was engaged during part of the season, reset the buoys and prepared new sailing directions. Under his direction Folly river and Light-house inlet have been sounded by Sub-Assistant Webber, the hydrography of Wassaw sound has been completed, and a resurvey made of the bar and channel of the St. John's river to a point near Mayport Mills As heretofore, his party in the Vixen, in charge of Acting Master Platt, rendered the pilot service required for the vessels of the whole South Atlantic squadron.

Sub-Assistant Dennis made surveys for defensive works at Pilatka, Florida; extended the survey of the St. John's river above Jacksonville, and, during the military movements in that vicinity, made a reconnoissance of the roads leading towards St. Augustine, Picolata, and Mayport Mills. At Port Royal he surveyed Bay Point and Land's End for naval purposes, and on Morris and Folly islands traced the shore-lines of the inland passage between Light-house inlet and Folly river.

Mr McMath was on service with the United States tax commissioners for Florida, at Fernandina, and at St. Augustine. He also furnished for military use a copy of the county map, showing the interior of Florida beyond Jacksonville.

In the military department of the Gulf, Assistant Oltmanns served on the staff of Major General Franklin, and made surveys along the route of the 19th

army corps, including the environs of Vermilionville, Opelousas, Washington, and Franklin, Louisiana.

Sub-Assistant Hosmer was present with the army detachment at Aransas Pass, Texas, and located the position of the rebel works on a map, after determining the changes that had taken place in the depth of water on the bar of that pass. He performed similar duty at Pass Cavallo, traced and marked the changes which had occurred at the eastern end of Matagorda island, and buoyed the channel into McHenry bayou. After joining the staff of Brigadier General Grover, in January, Mr. Hosmer made surveys at Madisonville and Morganza, Louisiana, and at Fort Adams, Mississippi. Both of these officers accompanied the army of Major General Banks through the Red river campaign.

On the Mississippi river, and for the use of the squadron under Admiral Porter, Assistant Gerdes made a topographical survey of Grand Gulf and its vicinity, and sounded the channel abreast of that post. This was followed by a reconnoissance, which included the shore and channel of about fifty miles of the course of the Mississippi, between Rodney and Vicksburg. He made, also, a minute survey of the Ohio river and its shores from Mound City to Cairo, Illinois, with soundings relative to inquiries concerning a navy yard site. Sub-Assistant Fendall assisted in this important survey, and was afterwards on duty with the gunboats which passed up Red river to act in concert with the land forces.

The transfer of some of these parties from one locality to another, as service required, has been noticed in the abstract just given; the transfer of others therein mentioned for prosecuting the usual work of the survey will appear in the short summary which follows.

In the northern sections of the Atlantic coast the regular operations of the survey have been continued, and the parties here enumerated are now at work. Sub-Assistant Dennis, in the topography of the lower part of Passamaquoddy bay, Maine; Assistant Fairfield, in coast triangulation near Mount Desert island, and Assistant McCorkle in similar duty in Penobscot river, near Bangor; Sub-Assistant Dorr, in the topography of the islands at the entrance of Penobscot bay; Sub-Assistant Ferguson, at the entrance of St. George's river, Maine; Assistant West, on the shores of Booth bay, Maine; Mr. McMath, on the east side of the Sheepscot river; Assistant Adams is completing plane-table work on the shores of the water-passages which enter the Kennebec near Bath, Maine; Assistant R. M. Bache, on the shores of the Kennebec above Bath, and Sub-Assistant Longfellow, in the survey of islands on the east side of Casco bay; Sub-Assistant Webber has sounded the St. George's river, Maine, and its approaches; Mr. Strausz, the waters of Quohog bay, and Lieutenant Commander Phelps has extended the hydrography eastward of the approaches to Portland entrance. Assistant Mitchell has examined the known dangers to navigation in Eastport harbor and Muscle Ridge channel, (Penobscot bay,) and indicated the position of desirable aids to navigation. He has also continued work connected with the special survey of Boston harbor for the United States commissioners.

Estimates for the fiscal year 1865–'66, *and the appropriations for the fiscal year* 1864–'65.

Object.	Estimates for the fiscal year 1865–'66.	Appropriated for fiscal year 1864–'65.
For survey of the Atlantic and Gulf coasts of the United States, including compensation of civilians engaged in the work, per act of March 3, 1843	$181,000 00	$178,000 00
For continuing the survey of the western coast of the United States, including compensation of civilians engaged in the work, per act of September 30, 1850	100,000 00	100,000 00
For continuing the survey of the Florida reefs and keys, including compensation of civilians engaged in the work, per act of March 3, 1849	11,000 00	11,000 00
For publishing the observations made in the progress of the survey of the coast of the United States, including compensation of civilians engaged in the work, per act of March 3, 1843	4,000 00	4,000 00
For repairs of steamers and sailing schooners used in the survey, per act of March 2, 1853	4,000 00	4,000 00
For pay and rations of engineers for three steamers used in the hydrography of the coast survey, no longer supplied by the Navy Department	6,000 00	*9,000 00
Total	306,000 00	306,000 00

*Formerly included in estimates of Navy Department.

Very respectfully, yours,

A. D. BACHE,
Superintendent United States Coast Survey.

Hon. W. P. FESSENDEN,
Secretary of the Treasury.

REPORT OF THE BOARD OF SUPERVISING INSPECTORS OF STEAMBOATS

WASHINGTON, *November* 1, 1864.

SIR: The board of supervising inspectors of steam vessels met in annual session at the city of New York, pursuant to adjournment, on the 12th day of October, 1864, and having considered the various subjects presented to them, have the honor of submitting their twelfth annual report.

An important act of Congress was passed on the 29th of April, 1864, "fixing certain rules and regulations for preventing collisions on the water." Whether these rules and regulations were intended to apply to steamers navigating the rivers and lakes of the United States as well as to those navigating the ocean, must be inferred from the nature of the cases which may arise, no less than from the language of the law itself. In some cases of inland navigation they cannot be applied with any degree of safety. To the ocean they are universally applicable. The 19th article of the act seems to provide for the continuance of the discretionary powers of this board, appropriately provided for by rules and regulations, as authorized by the act of Congress approved August 30, 1852; and therefore, while article 2 prohibits the carrying of any other lights than those prescribed, article 29 provides for construing those rules with due regard to all

the dangers of navigation, and to special and sudden exigencies which may arise in any particular case.

Upon narrow and crooked rivers the range of red and green lights upon the sides of steam vessels, as required by the act of April, 1864, is not accurate enough to enable pilots to determine the change of course or position which may be made by boats steaming in opposite directions in time to prevent collisions; and the same is true as to the Hudson and East rivers of New York, and like waters; while the range of the head and stern lights in late or present use is so much greater, owing to their further separation from each other, that the least change of direction can be seen by the pilots of such boats, so as to enable them to determine with great accuracy even the intentions of each other at a time when the side lights would give no indication whatever. Therefore, in view of this difficulty, and of the urgent remonstrance of owners and pilots, the board of supervising inspectors have regarded it as their duty to exercise the discretionary powers vested in them in such cases, and to set forth the harmony of the act of August 30, 1852, which grants those powers, with the provisions of the act of April 29, 1864, in view of the well-known dangers of the navigation in question.

The board has therefore passed the following resolution:

Resolved, That the very great danger involved in navigating the inland waters of the United States by steamers without the light heretofore usually carried at the stern, requires such a construction of the 2d article of the act of Congress of April 29, 1864, as will permit such light to be carried as before, in addition to the head and colored lights required by the rules of this board and of said act; the authority for such construction being found in article 19 of said act.

On the lakes, also, the attempt to carry out the rules of the act of 1864, without reference to the peculiar circumstances attendant upon the navigation of those waters, has already involved the loss of life and property, as in the cases of the steamer Ogdensburg, the steamer Sciota, and the steamer Arctic. Therefore the board has expressed its opinion of the necessity of adhering to the established rules of Congress, and of the board, in view of the "special circumstances" of that navigation, and in view, also, of the dangers resulting from the application of the general rules of the act of 1864 to such navigation. And it is hoped that if the board has erred in the exercise of the discretion which the law seems in its view to confer upon it, suitable provisions may be made by Congress to harmonize more perfectly the existing regulations on the subject.

The act of Congress passed June 8, 1864, in relation to the inspection of tow boats, ferry-boats, and canal-boats, very largely increases the duties of steamboat inspectors, and makes additional local inspectors necessary in such districts as contain a great number of such vessels, and in some localities the erection of new inspection districts. The act largely extends the operation of previous beneficent provisions of law for the safety of life and property, and will also bring a corresponding increase to the revenue of the government. It will also operate usefully in obtaining more full statistical information than has hitherto been procurable, as to the tonnage, operative force, and other particulars of the steam marine of the United States.

Two assistant inspectors for the district of New York, and a new local board for the port of Galena, Illinois, will be required, in addition to those already authorized by law. A committee of the board has been appointed, with full power on its part, in regard to these necessary additions to the force under its control, and to the increase of the salaries of inspectors, demanded by the great advance in the cost of living and the multiplication of duties created by the increase of the steam marine of the country, and by the duties imposed by the act of 1864.

The board finds that the duties of the inspectors in the several local districts have been performed with notable faithfulness, and in many cases under great embarrassments caused by the war.

The following are statements of the important occurrences which have been brought to the notice of the board during the past year:

Total number of steamers inspected during the year 1864		1,471
Tonnage of steamers inspected during the year 1864		1,105,084
Number of pilots licensed during the year 1864		2,880
Number of engineers licensed during the year 1864		3,621
Number of boilers found defective in construction during the year 1864		34
Number of boilers which would not bear hydrostatic test during the year 1864		37
Number of violations of law investigated		40
Number of lives lost by explosion	13	
Number of lives lost by foundering or beaching	169	
Total number of lives lost		182
Total number of lives saved by life-saving apparatus, as required by law		52
Loss of property by explosion		$95,000
Loss of property by fire		162,000
Loss of property by wreck or foundering		60,000
Total loss of property on inspected steamers		317,000
Estimated value of steamers inspected in 1864		$165,762,600
Estimated value of steamers inspected in 1863		110,135,057
Increase in value from 1863 to 1864		55,627,543

The reports from supervising districts, herewith annexed, together with the tabular statements furnished, will show in detail what statistics are upon the records of the several districts.

All which is respectfully submitted.

P. B. STILLMAN,
President pro tem.
JAMES N. MULLER,
Secretary.

Hon. WM. P. FESSENDEN,
Secretary of the Treasury.

REPORT ON THE MINT OF THE UNITED STATES.

MINT OF THE UNITED STATES,
Philadelphia, October 3, 1864.

SIR: I have the honor to submit the following report of the operations of the mint and its branches for the fiscal year ending June 30, 1864:

The coinage of the late fiscal year, although not so large as in some former years, exhibits, notwithstanding the disturbed condition of the country, a satisfactory increase over the coinage of 1863.

The amount of bullion, in value, received at the mint and branches during the fiscal year was as follows: gold, $23,986,989 92; silver, $933,818 55; total deposits, $24,920,808 47. From this total a deduction must be made for the bullion re-deposited, or bars made at one branch of the mint and deposited at another for coinage. Deducting the re-deposits, the amount will be $24,012,741 49. The coinage for the same period was as follows: gold coin, $21,649,345; imported and fine gold bars, $2,333,403 31; silver coin, $548,214 10; silver

bars, $301,872 89; cents coined, $463,800; total coinage, $25,296,635 30; numbers of pieces of all denominations coined, 46,983,396. The distribution of bullion received at the mint and branches was as follows: at Philadelphia, gold deposited, $3,002,287 19; gold coined, $2,580,945; fine gold bars, $307,322 07; silver deposits and purchases, $223,695 77; silver coined, $200,714 10; silver bars, $7,655 23; cents coined, $463,800; total coinage, $3,560,436 40; number of pieces, 45,114,276; total deposits of gold and silver, $3,225,982 96.

At the branch mint, San Francisco, the gold deposits were $18,913,547 70; gold coined, $19,068,400; silver deposits and purchases, $418,570 80; silver coined, $347,500; silver bars, $120,909 02; total coinage of gold and silver, $19,536,809 02; number of pieces, 1,869,120.

The assay office in New York received during the year, in gold bullion, $1,584,825 06; and, in silver, $291,551 98; fine gold bars stamped at that office, 1,812—value, $1,539,751 27; silver bars, 1,947—value, $173,308 64; total value of gold and silver bullion, $1,876,377 04.

The branch mint at Denver, Colorado Territory, has been, during the past year, successfully engaged in melting, refining, assaying, and stamping gold bullion, returning the same to the depositor in the form of unparted bars, bearing the government stamp of weight and fineness. The number of bars stamped was 532—value, $486,329 97.

The efficiency and usefulness of this branch would be greatly increased if a safe and expeditious mode of transportation could be secured. An overland route of six hundred miles is a formidable obstacle in the way of commercial intercourse with our eastern cities and markets. In addition, the hostility of the Indian tribes along the route, doubtless instigated by rebel emissaries and bad white men, has increased the difficulty and dangers of inter-communication and the transportation of bullion to the Atlantic markets. These difficulties will probably be obviated in due time, and that institution will then assume her proper position as a branch mint.

Efforts have been made to introduce a system of purchases and exchanges, by which the government will assume the risk of transporting bullion from Denver to places where it may be needed for coinage or purchase. The government, by purchasing the bullion at Denver, and paying therefor by draft in specie on the treasurers in the Atlantic States, would relieve the owners of all responsibility and enable them to convert their bullion into eastern funds with but little expense. The act of Congress establishing a branch mint at Denver provides "that the superintendent of said branch mint be authorized, under the direction of the Secretary of the Treasury, and on terms to be prescribed by him, to issue in payment of the gold-dust and bullion deposited for assay and coinage, or bars, drafts or certificates of deposit payable at the treasury or any sub-treasury of the United States, to any depositor electing to receive payment in that form." This provision embodies the true policy of the government in relation to the deposits of bullion in branch mints or assaying offices distant from our great commercial centres. Its accomplishment would not only benefit the hardy miner and the gold regions of Colorado, but the general commercial interests of the country and government. Renewed efforts ought to be made to introduce this system, and when the difficulties now in the way are removed, and the overland stage-route to Denver in full and successful operation, satisfactory arrangements can be made with that company and others by which the bullion purchased by the government will be safely brought to the eastern cities and depositories.

GOLD MINING REGIONS.

The reports from the gold and silver regions of our country are very satisfactory, and indicate an abundant and increasing production. The places whence

the deposits were obtained, and the amount from each locality, are set forth in the tabular statements attached to this report. These tables contain nearly all we have to say on the subject of our gold mining regions. There is occasionally an uncertainty as to the origin of a deposit of gold, and Idaho may have obtained some credits which belong to Colorado. Every precaution, however, is taken to have the deposit credited to its proper locality, and when an uncertainty arises it is credited to the region which the nature of the bullion indicates it to belong. In relation to Idaho it may be stated that the production of the last has largely exceeded that of the previous fiscal year, and the indications of a still larger yield are most encouraging. The statistics found in this report prove the correctness of these remarks. For the fiscal year ending June 30, 1863, the amount of gold bullion received from Idaho was $1,816 97; during the past year the amount reached $2,306,568 10; an increase of more than two millions in one year. Indian hostilities, and the troubled state of the country generally, have affected to some extent the operations in our gold-producing localities; still our mining regions are the scenes of activity and excitement, and enterprise and capital are fast taking possession of them. In some places, especially where the mining is superficial, individual enterprise is sufficient; but in others, and especially in Colorado, the force of companies with large resources is necessary. Such organizations, under prudent and proper management, cannot fail to be successful, realizing large profits for themselves, and at the same time developing by associated capital and labor the material resources and wealth of our nation. Within the past year, large investments in that region have been made by parties in New York, Philadelphia, and elsewhere From Nova Scotia we receive some gold, and occasionally small deposits from Canada. A report from the latter region, in pamphlet form, received some months ago, does not afford much encouragement as to paying returns; but more recent discoveries render it not improbable that a new and successful gold region will be there developed. Australia and New Zealand continue to be very productive, and doubtless Liberia also, although we have no direct information from that quarter. The past fifteen years has been an era of wonderful activity in gold mining, and the effects of this addition of gold to the wealth of the world, upon industrial pursuits, commerce, and civilization, are everywhere manifested. But wealth alone cannot secure the peace and prosperity of a nation. Virtue and truth, more than gold and silver, can make a nation great, and its people prosperous and free.

SILVER OF NEVADA.

The history of the development of any mining region is a romance, full of surprising incidents, and none is more so than that of Nevada Territory. From the first discovery of silver, in June, 1859, to the present moment, that country has been a scene of excited search, toil, and speculation, of rapid fortunes, severe losses and disappointments. It would be out of place in this report to enter into details, which may be found elsewhere; but to inquire what becomes of all this vast yield of silver, and what benefit is to inure to our country from its production, is certainly alike proper and instructive. In a time of peace shall we have a share of the gold and silver of our own mines for our currency and use, or must it be carried off to the plethoric vaults of European banks and capitalists? This latter is precisely the direction all the silver has taken thus far. Among the injuries inflicted upon us by the rebellion, not the least serious is the banishment of silver. None of the Nevada silver is coined here, and but little at San Francisco, where it first goes. Our correspondents at that port inform us that it is all shipped to England, partly in rich ores, which can more economically be smelted there, and partly in metallic bars. We have also some information from London as to the receipt of this bullion, but not

comprehensive enough to serve as a statistical return. In fact, we do not know how much silver is raised from those mines; they are rich and valuable. We know that some of the best of them sell in the market at $2,500 to $5,000 specie for one foot frontage, and have yielded from two to four per cent. monthly on such prices. These mines are not held by British capitalists, nor worked by British subjects, although many of the miners are from Cornwall and Ireland. They are held and controlled by our own citizens, changing owners frequently, as the stock market is extremely active and prices very fluctuating. The reasons for the disappearance of this silver are very obvious, particularly in this crisis of our country's history. The war in which we are now engaged has compelled a resort to paper currency to meet the increased taxation and expenditures of the nation. This currency supplies the place of specie, which increases in value commercially in proportion to the increase of the paper circulation. Its commercial value being thus increased it ceases to be a circulating medium, and is either hoarded at home, or sent abroad in payment of foreign importations. Again, the diminished export of our leading products, especially cotton, and the continuance of extravagant and unnecessary importations (often forced upon our market by unfriendly foreign importers) have caused the balance of trade to be largely against us, requiring the export of our precious metals to pay a debt which ought, from every motive of interest, every consideration of patriotism, to have been avoided. War has affected our currency and commerce, has driven our specie from present circulation, and poured it into the coffers of the foreign merchant and capitalist.

Peace will restore what war has destroyed, the untiring energy of the American people will regain what has been lost, and make our commerce and currency rival that of the most favored nations. Our nation lives, and in the exercise of patience, perseverance, patriotism, and a real confidence in the sentiment recently stamped upon some of our coinage., "In God we trust," we may hope for a speedy restoration of peace and union—a higher national life, and a more perfect and enduring nationality.

ASSAY OFFICES.

The rapid development of our gold mining regions and the discovery of new and rich deposits of the precious metals, render it incumbent upon the government to provide facilities for melting, assaying, and stamping of bullion in those Territories in which the mines are located. These mines afford a wide field for well-directed enterprise and profitable investment of capital. Already large and well-conducted private refining and assaying establishments have been put in successful operation. They will doubtless be increased in number and capacity when demanded by an increased production of the precious metals; and whilst the business of refining and parting by private enterprise should be encouraged, the true national policy is to provide government assay offices, which will afford the mining and commercial interests of those regions every practicable facility that can be desired. Neither public nor private interests, national or local considerations, require the multiplication of branch mints for coinage. When located far from our great commercial centres, the difficulties and expense necessarily attending their operations greatly outweigh every advantage that can be derived from their establishment. The mints now in operation are sufficient for the coinage of all the gold and silver that can be produced in the United States. San Francisco is the commercial and economical point for the coinage of the precious metals produced from the mines of the States and Territories west of the Rocky mountains. The parent mint in Philadelphia occupies the same position in reference to the Atlantic States. These two great central institutions, in their capacity for coinage, can abundantly meet any governmental or commercial demand. These for coinage, and the establishment of assay offices by the government in our mining regions, for melting, refining,

assaying, and stamping bullion, will secure to the mining interests of the country every facility that can be desired and every encouragement that can with propriety be expected.

BRONZE COINAGE.

The substitution of the bronze alloy for the nickel mixture, as authorized by Congress, has been highly successful. The demand for the one and two cent pieces has been unprecedented, and every effort has been made to meet it. The demand still continues, although the number daily issued largely exceeds that of any former period. Large quantities are hoarded and thus kept from circulation They have also been bought and sold by small brokers at a premium. This has induced individuals to collect them for the purpose of sale, thus producing a scarcity and inconvenience to the public that ought not to exist. The proportion of the three metals in the bronze alloy has been steadily maintained, as shown by the constant trials in the assay department, and regularly, as required by law, reported to me. The two-cent piece is a most convenient and popular coin. Its size and weight contribute to its usefulness. The motto—"In God we trust"—stamped upon this coin, has been highly approved by the public, not only as improving the artistic beauty of the piece, but also expressive of our nation's reliance upon the "God of nations" in this hour of peril and danger. Why should this distinct and unequivocal recognition of the sovereignty of God, of Him who is "the King of kings and Lord of lords," be confined to our bronze coinage? The silver and the gold are His, and upon it should be impressed, by national authority, the declaration of our nation's confidence and trust in Him "who maketh war to cease unto the ends of the earth," and "who stilleth the raging of the sea and the tumult of the people." Let our nation in its coinage honor Him, in whom is our strength and salvation.

ALUMINUM BRONZE.

During the past year some interesting experiments were made with aluminum as an alloy for coins; not with a view to displace the bronze coinage, but to propose a system of tokens for five and ten cents. More than two years ago experiments were made in aluminum alloys, to try their fitness for *medals*. Information was received from Paris that the introduction of only one per cent. of aluminum into fine silver would resist the sulphuretted tarnish which is so apt to attack that metal in certain exposures. The experiments made here did not confirm that statement; on the contrary, a slip of this alloy (99 silver, 1 aluminum) suffered more discoloration from the vapor of sulphuretted hydrogen than a slip of fine silver. The alloy was also much harder. An alloy of thirteen parts copper with one of aluminum was then tried, and another of nineteen parts copper to one of aluminum. The former gave a pale gold color, the latter the color of standard gold coin—both beautiful, but too nearly resembling the precious metal. Under the press, however, they were both found to be so hard and stubborn, in spite of repeated blows, as to be quite impracticable. The question, however, was still open, whether a different proportion, and the low relief used for *coin*, would not give a satisfactory result. In fact, we had specimens of aluminum bronze coinage, effected by European manufacturers of aluminum, which proved that the striking was at least practicable, if not easy. A further series of experiments was therefore undertaken here, at the desire of the Secretary of the Treasury and a committee of scientific gentlemen. The latter forwarded to the mint a bar for this purpose, which, by assay, was found to contain the proportion of nine parts copper to one of aluminum. Their directions were closely followed, and the principal results may be briefly stated as follows:

The aluminum bronze, in the proportion just stated, is very rigid under the

rolls, requiring many annealings, and liable to crack and break into plates of oblique fracture. It may, however, be gradually brought down to the gauge of one cent coin; but in the coining press it is so hard that it will not take a perfect impression, at least not such as can be given to the present legal alloy. The comparative ductility of the aluminum bronze and of pure copper will be shown by this result; to draw a wire from the former from $\frac{1}{10}$ inch diameter down to $\frac{1}{20}$ inch required twenty-one draughts and four annealings, while the latter required seven draughts and no annealings after the initial one. This hardness gives it a great advantage in wear. Coins of the cent size were made of this alloy of legal bronze and pure copper. The three varieties placed in boxes and rapidly shaken for a long time, treated equally in all respects, lost by attrition in the following ratio: Assuming the aluminum bronze as the standard of comparison, the legal bronze lost about three times, and the copper about six times as much. This property, however, is of no great consequence in coins of little value.

A point of much greater consideration is the avoidance or mitigation of the tendency to change color and become foul from the usual causes, viz: the action of oily and saline excretions of the hand; the chemical agencies which are met with in market-stalls and the slops of drinking saloons, and the mere exposure to air and moisture. If any metal or alloy could be found that would look well, and keep clean with the usage to which our small coins are generally subjected, it would be deservedly popular. This can scarcely be expected. A silver coin can be deprived of its original beauty and become of such a hue as to have its genuineness called into question. Pure aluminum, white at first, assumes a bluish tint by atmospheric action; and aluminum bronze, although closely resembling gold at first, was found, after being held in the sweaty hand for a few hours, to have received an ugly tarnish which destroyed the last argument for employing it in currency.

After these experiments were concluded others were started, in hope of finding a binary or teanary alloy which would answer the required conditions. especially as to ductility and keeping color for coins of a grade a little above the cent and two cent pieces. After some progress had been made, it became evident, from the fact that cents were hoarded to such an extent as to keep them out of circulation, that in the present state of the currency it would be futile to attempt to carry out the project. More than this: we believe the end of our nation's troubles is nigh, and that peace will soon bless our country. With peace we may confidently expect an influx of silver, always more acceptable than any substitute, which will supply every want and furnish a currency of "small coins" equal to any demand. Our country is full of the precious metals —the supply inexhaustible. Peace will restore prosperity, and gold and silver will soon resume their proper channels in the currency of the country.

THE SILVER DOLLAR.

Permit me again to refer to the anomalous character of the silver dollar of the United States, and to the observations on this subject in former reports. The whole dollar should be made in weight and value the exact multiple of our fractional silver currency, and the gold dollar should be by law declared the unit of value of our money.

STATEMENT OF FOREIGN COINS.

The statement of foreign coins, as required by law, will be found appended to this report. We have no change to make in these tables, except in the single item of the average fineness and value of the British sovereign. Heretofore we have reported *new* coins at 916½ thousandths fine, the weight 256.7 thousandths of an ounce, and the value before deduction $4 86¾. Their stand-

ard of fineness is 916⅔, but our mode of reporting is to the half thousandth, and the above is the nearest estimate we can make of the American value of a pound sterling in perfect condition. At the same time, in consequence of the usual admixture of old coins in any lot, we have been reporting the *average* of weight, fineness and value at lower figures, making about two cents less per sovereign or pound. The skilful and exact methods of assaying and alloying which have been pursued in the British mint have brought up the average fineness to such a measure that we might report them as of full standard, if it were not that there are still a good many old pieces to be met with whose fineness is not over 915½. We *might* call the average, even with these, 916¼, but in accordance with our method we cannot put them higher than 916. The corrected statement will be found in the table of gold coins. It is necessary to add that the "value after deduction" means simply after deducting the mint charge of one half per cent. If brought to the mint for re-coinage, a government tax of one half per cent. will further be deducted, which holds true of all coins except old gold coins of the United States, prior to the change of standard in 1834.

The medal department of the mint is in successful operation and its productions duly appreciated by the government and the public.

Some valuable additions have been made to the cabinet by purchases or gift during the past year. This department of our institution is very attractive, and the multitude of visitors attests the value and usefulness of this collection of coins and medals.

LIST OF TABLES IN APPENDIX.

A.—Statement of bullion deposited at the mint of the United States and branches during the fiscal year ending June 30, 1864.

B.—Statement of the coinage at the mint of the United States and branches during the fiscal year ending June 30, 1864.

C.—Statement of gold and silver of domestic production deposited at the mint of the United States and branches during the fiscal year ending June 30, 1864.

D.—Coinage of the mint and branches from their organization to the close of the fiscal year ending June 30, 1864.

E.—Gold of domestic production deposited at the mint of the United States and branches to June 30, 1864.

F.—Statement of the amount of silver coined at the mint of the United States and branches, at San Francisco and New Orleans, under the act of February 21, 1853.

G.—Statement of the amount of silver of domestic production deposited at the mint of the United States and branches, from January, 1841, to June 30, 1864.

H.—Cents of old issue deposited at the United States mint for exchange for the nickel cent to April 22, 1864.

I.—Statement of the weight, fineness and value of foreign gold coin.

J.—Statement of the weight, fineness and value of foreign silver coin.

Very respectfully, your obedient servant,

JAMES POLLOCK,
Director of the Mint.

Hon. W. P. FESSENDEN,
Secretary of the Treasury, Washington, D. C.

SCHEDULE A.

Statement of deposits at the mint of the United States, the branch mint, San Francisco, assay office, New York, and branch mint at Denver, during the fiscal year ending June 30, 1864.

Description of bullion.	Mint of United States, Philadelphia.	Branch mint, San Francisco.	Assay office, New York.	Branch mint, Denver.	Total.
GOLD.					
Fine bars	$542,443 52				$542,443 52
Unparted bars	128,896 95			$486 329 97	128,896 95
United States bullion	1,911,184 04	$18,481,350 20	$1,170,061 06		22,048,925 27
United States coin	62,690 15		1,972 00		64,662 15
Jewellers' bars	209,674 07		141,974 00		351,648 07
Foreign coin	96,816 23		185,296 00		282,112 23
Foreign bullion	50,582 23	432,197 50	85,522 00		568,301 73
Total gold	3,002,287 19	18,913,547 70	1,584,825 06	486,329 97	23,986,989 92
SILVER.					
Bars	119,279 51				119,379 51
United States bullion	40,330 03	418,570 80	28,538 00		487,438 83
United States coin	24,524 66		22,194 00		46,718 66
Jewellers' bars	26,648 40		62,588 00		89,236 40
Foreign coin	11,882 88		154,736 98		166,619 86
Foreign bullion	930 29		23,495 00		24,425 29
Total silver	223,695 77	418,570 80	291,551 98		933,818 55
Total gold and silver	3,225,982 96	19,332,118 50	1,876,377 04	486,329 97	24,920,808 47
Less re-deposits at different institutions					908,066 98
Total deposits					24,012,741 49

SCHEDULE B.

Statement of the coinage of the mint of the United States, the branch mint, San Francisco, assay office, New York, and branch mint, Denver City, during the fiscal year ending June 30, 1864.

Denomination.	Mint of the United States, Philadelphia.		Branch mint, San Francisco.		Assay office, New York.	Branch mint, Denver city.	Total.	
GOLD.	*Pieces.*	*Value.*	*Pieces.*	*Value.*	*Value.*	*Value.*	*Pieces.*	*Value.*
Double eagles	125,962	$2,519,240 00	947,320	$18,946,400 00			1,073,282	$21,465,640 00
Eagles	3,580	35,800 00	5,000	50,000 00			8,580	85,800 00
Half eagles	300	1,500 00	10,000	50,000 00			10,300	51,500 00
Three dollars	5,490	16,470 00					5,490	16,470 00
Quarter eagles	474	1,185 00	8,800	22,000 00			9,274	23,185 00
Dollars	6,750	6,750 00					6,750	6,750 00
Fine bars		307,322 67			$1,539,751 27			1,847,073 34
Unparted bars						$486,329 97		486,329 97
Total gold	142,556	2,888,267 07	971,120	19,068,400 00	1,539,751 27	486,329 97	1,113,676	23,982,748 31
SILVER.								
Dollars	23,170	23,170 00					23,170	23,170 00
Half dollars	319,970	159,985 00	648,000	324,000 00			967,970	483,985 00
Quarter dollars	69,970	17,492 50	20,000	5,000 00			89,970	22,492 50
Dimes	370	37 00	140,000	14,000 00			140,370	14,037 00
Half dimes	370	18 50	90,000	4,500 00			90,370	4,518 50
Three-cent pieces	370	11 10					370	11 10
Bars		7,655 23		120,909 02	173,308 64			301,872 89
Total silver	414,220	208,369 33	898,000	468,409 02	173,308 64		1,312,220	850,086 99
COPPER.								
Two-cent pieces	1,822,500	36,450 00					1,822,500	36,450 00
Cent pieces	42,735,000	427,350 00					42,735,000	427,350 00
Total copper	44,557,500	463,800 00					44,557,500	463,800 00
Total coinage	45,114,276	3,560,436 40	1,869,120	19,536,809 02	1,713,059 91	486,329 97	46,983,396	25,296,635 30

SCHEDULE C.

Statement of gold and silver of domestic production deposited at the mint of the United States, branch mint of San Francisco, assay office in New York, and branch mint at Denver, during the fiscal year ending June 30, 1864.

Description of bullion.	Mint United States, Philadelphia.	Branch mint, San Francisco.	Assay office, New York.	Branch mint, Denver.	Total.
GOLD.					
California	$91,663 75	$14,863,657 52	$116,101 06		$15,071,422 33
Colorado	935,146 72		715,208 00	$486,329 97	2,136,684 69
Oregon	14,192 90	2,139,305 00	8,650 00		2,162,147 90
Nevada Territory	944 74		74 00		1,018 74
Idaho Territory	847,782 60	1,257,497 50	201,288 00		2,306,568 10
North Carolina	6,093 85				6,093 85
Arizona	114 72		3,775 00		3,889 72
Washington Territory	7,347 97				7,347 97
Parted from silver	7,896 79	220,890 18	7,618 00		236,404 97
Mint bars			117,347 00		117,347 00
Total gold	1,911,184 04	18,481,350 20	1,170,061 06	486,329 97	22,048,925 27
SILVER.					
Lake Superior	6,162 77		2,603 00		$8,765 77
Nevada Territory		310,167 01	1,670 00		311,837 01
Sonora			45 00		45 00
Parted from gold	34,167 26	108,403 79	24,220 00		166,791 05
Total silver	40,330 03	418,570 80	28,538 00		487,438 83
Total gold and silver of domestic production	1,951,514 07	18,899,921 00	1,198,599 06	486,329 97	22,536,364 10

SCHEDULE D

Coinage of the mint and branches from their organization to the close of the fiscal year ending June 30, 1864.

1. MINT OF THE UNITED STATES, PHILADELPHIA.

Period.	GOLD COINAGE.							SILVER COINAGE.			
	Double eagles.	Eagles.	Half eagles.	Three dolls.	Qr. eagles.	Dollars.	Fine bars.	Dollars.	Half dollars.	Quarter dolls.	Dimes.
	Pieces.	*Pieces.*	*Pieces.*	*Pieces.*	*Pieces.*	*Pieces.*	*Value.*	*Pieces.*	*Pieces.*	*Pieces.*	*Pieces.*
1793 to 1817	.....	132, 592	845, 909	.....	22, 197	.....	.....	1, 439, 517	13, 104, 433	650, 280	1, 007, 151
1818 to 1837	.....	.....	3, 087 925	.....	879, 903	.....	.....	1, 000	74, 793, 560	5, 041, 749	11, 854, 949
1838 to 1847	.....	1, 227, 759	3, 269, 921	.....	345, 526	.....	.....	879, 873	20, 203, 333	4, 952, 073	11, 387, 995
1848 to 1857	8, 122, 526	1, 970, 597	2, 260, 390	223, 015	5, 544, 900	15, 348, 608	$33, 612, 140 46	350, 250	10. 691, 088	41, 073, 080	35, 172, 010
1858	468, 504	13, 690	32, 633	13, 059	113, 097	208, 724	21, 088 10	.....	4, 028, 000	10, 600, 000	690, 000
1859	98, 196	8. 600	20, 718	11, 524	76, 562	231, 873	49, 286 59	73, 500	2, 636, 000	4, 996, 000	1, 760, 000
1860	188. 615	16. 013	19, 724	13, 402	13, 721	78, 743	170, 275 34	315, 530	349, 800	909, 800	576, 000
1861	2, 341, 921	44. 005	56, 526	6, 072	121, 376	13, 955	66, 434 76	164, 900	741, 300	3, 034, 200	1, 573, 000
1862	1, 052, 375	79, 299	639, 432	5, 785	1, 253, 249	1, 799, 259	49, 421 61	1, 750	2, 391, 350	2, 803, 750	1, 364, 550
1863	152, 963	3, 658	6, 902	39	20, 990	1, 950	156, 039 74	31, 400	425, 260	412, 860	49, 460
1864	125, 962	3, 580	300	5, 490	474	6, 750	307, 322 07	23, 170	319, 970	69, 970	370
Total	12, 551, 062	3, 499, 793	10, 240, 380	278, 386	8, 391, 995	17, 689, 862	34, 432, 008 67	3, 280, 890	129, 684, 094	74, 543, 762	65, 435, 485

Period.	SILVER COINAGE.			COPPER COINAGE.			TOTAL COINAGE.				
	Half dimes.	Three cents.	Bars.	Two cents.	Cents.	Half cents.	No. of pieces coined.	Value of gold.	Value of silver.	Value of copper.	Total.
	Pieces.	*Pieces.*	*Value.*	*Pieces.*	*Pieces.*	*Pieces.*					
1793 to 1817	265, 543	.....	.....	.....	29, 316, 272	5, 235, 513	$52, 019, 407	$5, 610, 957 50	$8, 268, 295 75	$319, 340 28	$14, 198, 593 53
1818 to 1837	14, 463, 700	.....	.....	.....	46, 554, 830	2, 205, 200	158, 882, 816	17, 639, 382 50	40, 566, 897 15	476, 574 30	58, 682, 853 95
1838 to 1847	11, 093, 235	.....	.....	.....	34, 967 663	.....	88, 327, 376	29, 491, 010 00	13, 913, 019 00	349, 676 63	43, 753, 705 63
1848 to 1857	34, 368, 520	37, 778, 900	$32, 355 55	.....	51, 449, 979	544, 510	244, 898, 373	236, 950, 474 46	22, 365, 413 55	517, 222 34	279, 833, 110 35
1858	4, 000, 000	1, 266, 000	843 37	.....	23, 400, 000	.....	44, 833, 707	10, 221, 876 60	4, 971, 823 37	234, 000 00	15, 427, 699 97
1859	2, 840, 000	1, 380, 000	9, 341 08	.....	30, 700, 000	.....	44, 832, 973	2, 660, 646 59	3, 009, 241 08	307, 000 00	5, 976, 887 67
1860	870, 000	548, 000	21, 656 30	.....	34, 200, 000	.....	38, 099, 348	4, 354, 576 84	857, 076 30	342, 000 00	5, 553, 653 14
1861	2, 787, 000	265, 000	2, 624 37	.....	10, 166, 000	.....	21, 315, 255	47, 963, 145 76	1, 601, 324 37	101, 660 00	49, 666, 130 13
1862	2, 352, 550	608, 550	1, 797 79	.....	11, 600, 000	.....	25, 951, 899	30, 036, 808 11	2, 172, 499 29	116, 000 00	32, 325, 307 40
1863	64, 460	93, 460	6, 897 83	.....	47, 845, 000	.....	49, 108, 402	3, 340, 941 74	365, 115 63	478, 450 00	4, 184, 507 37
1864	370	370	7, 655 23	1, 822, 500	42, 735, 000	.....	45, 114, 276	2, 888, 267 07	208, 369 33	463, 800 00	3, 560, 436 40
Total	73, 105, 378	41, 940, 280	83, 171 52	1, 822, 500	362, 934, 744	7, 985, 223	813, 383, 834	411, 158, 087 17	98, 299, 074 82	3, 705, 723 55	513, 162, 885 54

D.—*Coinage of the mint and branches, &c.*—Continued.

2. BRANCH MINT AT SAN FRANCISCO.

Period.	GOLD COINAGE.							
	Double eagles.	Eagles.	Half eagles.	Three dollars.	Quarter eagles.	Dollars.	Unparted bars.	Fine bars.
	Pieces.	*Pieces.*	*Pieces.*	*Pieces.*	*Pieces.*	*Pieces.*	*Value.*	*Value.*
1854	141,468	123,826	268	.....	246	14,632	$5,641,504 05	$5,863 16
1855	859,175	9,000	61,000	6,600	.....	.....	3,270,594 93	88,782 50
1856	1,181,750	73,500	94,100	34,500	71,120	24,600	3,047,001 29	122,136 55
1857	604,500	10,000	47,000	5,000	20,000	.....	.....	.....
1858	885,940	27,800	58,600	9,000	49,200	20,000	816,295 65	.....
1859	689,140	2,000	9,720	.....	8,000	15,000	.....	19,871 68
1860	579,975	10,000	16,700	7,000	28,800	13,000	.....	.....
1861	614,300	6,000	8,000	.....	14,000	.....	.....	.....
1862	760,000	18,000	18,000	.....	30,000	.....	.....	.....
1863	866,423	9,000	16,500	.....	4,000	.....	.....	.....
1864	947,320	5,000	10,000	.....	8,800	.....	.....	.....
Total	8,129,991	294,126	339,888	62,100	234,166	87,232	12,775,395 92	236,653 89

Period.	SILVER COINAGE.						TOTAL COINAGE.			
	Dollars.	Half Dollars.	Quarter dollars.	Dimes.	Half dimes.	Bars.	Number of—	Gold.	Silver.	Total.
	Pieces.	*Pieces.*	*Pieces.*	*Pieces.*	*Pieces.*	*Value.*	*Pieces.*	*Value.*	*Value.*	*Value.*
1854	.....	.....	.....	.....	.....	.....	280,440	$9,731,574 21	.....	$9,731,574 21
1855	.....	121,950	412,400	.....	.....	.....	1,470,125	20,957,677 43	$164,075 00	21,121,752 43
1856	.....	211,000	286,000	.....	.....	$23,609 45	1,976,570	28,315,537 84	200,609 45	28,516,147 29
1857	.....	86,000	28,000	.....	.....	.....	800,500	12,490,000 00	50,000 00	12,540,000 00
1858	.....	218,000	63,000	30,000	.....	19,752 61	1,361,540	19,276,095 65	147,502 61	19,423,598 26
1859	15,000	463,000	172,000	90,000	.....	29,469 87	1,463,860	13,906,271 68	327,969 87	14,234,241 55
1860	5,000	693,000	24,000	40,000	.....	211,411 52	1,417,475	11,889,000 00	572,911 52	12,461,911 52
1861	.....	350,000	52,000	100,000	.....	71,485 61	1,144,300	12,421,000 00	269,485 61	12,690,485 61
1862	.....	1,179,500	120,000	219,500	.....	1,278 65	2,345,000	15,545,000 00	642,978 65	16,187,978 65
1863	.....	1,542,000	43,000	291,250	100,000	224,763 68	2,872,173	17,510,960 00	1,040,638 68	18,551,598 68
1864	.....	648,000	20,000	140,000	90,000	120,909 02	1,869,120	19,068,400 00	468,409 02	19,536,809 02
Total	20,000	5,512,450	1,220,400	910,750	190,000	702,680 41	17,001,103	181,111,516 81	3,884,580 41	184,996,097 22

D.—*Coinage of the mint and branches, &c.*—Continued.

3. BRANCH MINT, NEW ORLEANS.

Period.	GOLD COINAGE.						SILVER COINAGE.		
	Double eagles.	Eagles.	Half eagles.	Three dollars.	Quarter eagles.	Dollars.	Dollars.	Half dollars.	Quarter dollars.
	Pieces.	*Pieces.*	*Pieces.*	*Pieces.*	*Pieces.*	*Pieces.*	*Pieces.*	*Pieces.*	*Pieces.*
183 to 1847	.....	1,026,342	709,925	.....	550,528	.....	59,000	13,509,000	3,273,600
1848 to 1857	730,500	534,250	108,100	24,000	546,100	1,004,000	40,000	21,406,000	4,556,000
1858	47,500	21,500	13,000	.....	34,000	.....	.....	4,614,000	1,416,000
1859	24,500	4,000	.....	.....	.....	.....	200,000	4,912,000	544,000
1860	4,350	8,200	.....	.....	.....	.....	280,000	2,212,000	388,000
1861, (to January 31)	9,600	5,200	.....	.....	.....	.....	395,000	828,000	.....
Total	816,450	1,599,492	831,025	24,000	1,130,628	1,004,000	974,000	47,481,000	10,177,600

Period.	SILVER COINAGE.				TOTAL COINAGE.			
	Dimes.	Half dimes.	Three cents.	Bars.	Number of—	Gold.	Silver.	Total.
	Pieces.	*Pieces.*	*Pieces.*	*Value.*	*Pieces.*	*Value.*	*Value.*	*Value.*
1838 to 1847	6,473,500	2,789,000	.....	.....	28,390,895	$15,189,365	$8,418,700 00	$23,608,065 00
1848 to 1857	5,690,000	8,170,000	720,000	.....	43,528,950	22,934,350	12,881,100 00	35,815,350 00
1858	1,540,000	2,540,000	.....	.....	10,246,000	1,315,000	2,942,000 00	4,257,000 00
1859	440,000	1,060,000	.....	$334,996 47	7,184,500	530,000	3,223,996 37	3,753,996 47
1860	370,000	1,060,000	.....	25,422 33	4,322,550	169,000	1,598,422 33	1,767,422 33
1861, (to January 31)	.....	.....	.....	16,818 33	1,237,800	244,000	825,818 33	1,069,818 33
Total	14,513,500	15,619,000	720,000	377,237 13	94,890,695	40,381,615	29,890,037 13	70,271,652 13

4. BRANCH MINT, DENVER.

Period	1864	Unparted gold bars, value	$486,329 97

D.—*Coinage of the mint and branches, &c.*—Continued.

5. BRANCH MINT, DAHLONEGA.

Period.	GOLD COINAGE.					
	Half eagles.	Three dollars.	Quarter eagles.	Dollars.	Total.	Total.
	Pieces.	*Pieces.*	*Pieces.*	*Pieces.*	*Pieces.*	*Value.*
1838 to 1847	576, 553	.....	134, 101	.....	710, 654	$3, 218, 017 50
1848 to 1857	478, 392	1, 120	60, 605	60, 897	601, 014	2, 607, 729 50
1858	19, 256	.....	900	1, 637	21, 793	100, 167 09
1859	11, 404	.....	642	6, 957	19, 003	65, 582 00
1860	12, 800	.....	1, 672	1, 472	15, 874	63, 477 00
1861, (to Feb. 28)	11, 876	.....	.....	1, 566	13, 442	60, 946 00
Total	1, 110, 281	1, 120	197, 850	72, 529	1, 381, 780	6, 121, 919 00

6. BRANCH MINT, CHARLOTTE.

Period.	GOLD COINAGE.				
	Half eagles.	Quarter eagles.	Dollars.	Total.	Total.
	Pieces.	*Pieces.*	*Pieces.*	*Pieces.*	*Value.*
1838 to 1847	269, 424	123, 576	.....	393, 000	$1, 656, 060 00
1848 to 1857	500, 872	79, 736	103, 899	684, 507	2, 807, 599 00
1858	31, 066	9, 056	.....	40, 122	177, 970 00
1859	39, 500	.....	5, 235	44, 735	202, 735 00
1860	23, 005	7, 469	.....	30, 474	133, 697 50
1861, (to Mar. 31)	14, 116	.....	.....	14, 116	70, 580 00
Total	877, 983	219, 837	109, 134	1, 206, 954	5, 048, 641 50

7. ASSAY OFFICE, NEW YORK.

Period.	Fine gold bars.	Fine silver bars.	Total.
	Value.	*Value.*	*Value.*
1854	$2, 888, 059 18	.....	$2, 888, 059 18
1855	20, 441, 813 63	.....	20, 441, 813 63
1856	19, 356, 046 89	$46, 792 63	19, 402, 839 52
1857	9, 315, 414 00	123, 317 00	9, 438, 731 00
1858	21, 748, 691 04	171, 961 79	21, 970, 652 83
1859	13, 044, 718 43	272, 424 05	13, 317, 142 48
1860	6, 831, 532 01	222, 226 11	7, 053, 758 12
1861	19, 948, 728 88	187, 078 63	20, 135, 807 51
1862	16, 094, 768 44	415, 603 57	16, 510, 372 01
1863	1, 793, 858 16	158, 542 91	1, 952, 381 07
1864	1, 539, 751 27	173, 308 64	1, 713, 059 91
Total	133, 113, 361 93	1, 731, 255 33	134, 844, 617 26

8. SUMMARY EXHIBIT OF THE COINAGE OF THE MINT AND BRANCHES TO THE CLOSE OF THE YEAR ENDING JUNE 30, 1864.

Mints.	Commencement of coinage.	Gold coinage.	Silver coinage.	Copper coinage.	Entire coinage.	
		Value.	*Value.*	*Value.*	*Pieces.*	*Value.*
Philadelphia	1793	$411, 158, 087 17	$98, 299, 074 82	$3, 705, 723 55	813, 383, 834	$513, 162, 885 54
San Francisco	1854	181, 111, 516 81	3, 884, 580 41	.....	17, 001, 103	184, 996, 097 22
New Orleans, (to Jan. 31, 1861)	1838	40, 381, 615 00	29, 890, 037 13	.....	94, 890, 695	70, 271, 652 13
Charlotte, (to March 31, 1861)	1838	5, 048, 641 50	.....	.....	1, 206, 954	5, 048, 641 50
Dahlonega, (to Feb. 28, 1861)	1838	6, 121, 919 00	.....	.....	1, 381, 780	6, 121, 919 00
Assay office, New York	1854	133, 113, 361 93	1, 731, 255 33	.....	.....	134, 844, 611 26
Denver city	1863	486, 329 97	.....	.....	.....	486, 329 97
Total	.....	777, 421, 471 38	133, 804, 947 69	3, 705, 723 55	927, 864, 366	914, 932, 142 62

SCHEDULE E.

Statement of gold of domestic production deposited at the mint of the United States and branches to the close of the year ending June 30, 1864.

1. MINT OF THE UNITED STATES, PHILADELPHIA.

Period.	Parted from silver.	Virginia.	North Carolina.	South Carolina.	Georgia.	Tennessee.	Alabama.	New Mexico.	California.
1804 to 1827			$110,000 00		$1,763,900 00	$12,400 00			
1828 to 1837		$427,000 00	2,519,500 00	$327,500 00	566,316 00	16,499 00	$45,493 00		
1838 to 1847		518,294 00	1,303,636 00	152,366 00	44,577 50	6,669 00	9,451 00	$48,397 00	$226,839,521 62
1848 to 1857		534,491 50	467,237 00	55,626 00	18,365 00			275 00	1,372,506 07
1858		18,377 09	15,175 00	300 00	20,190 00	240 00			959,191 79
1859		15,720 00	9,305 00	4,675 00	7,556 41	595 88	92 76		663,389 02
1860		17,402 62	8,450 11		15,049 41				426,807 81
1861		7,200 29	7,523 80		135 40				244,259 81
1862	$68,864 66		81 38		246 66			514 53	109,778 58
1863	3,468 69	69 00	1,178 84						91,663 75
1864	7,896 79		6,093 85						
Total	80,230 14	1,538,554 41	4,448,180 98	540,467 00	2,436,336 38	36,403 88	55,036 76	49,186 53	230,707,118 45

Period.	Oregon.	Colorado.	Arizona.	Washington.	Idaho.	Dakota.	Nevada.	Other sources.	Total.
1804 to 1827									$110,000 00
1828 to 1837								$13,200 00	5,063,509 00
1838 to 1847								21,037 00	2,623,641 00
1848 to 1857	$54,285 00							7,218 00	228,067,473 62
1858	3,600 00								1,438,393 07
1859	2,960 00	$145 00							1,012,701 79
1860	2,780 16	346,604 05						1,402 01	1,048,180 26
1861		607,592 08	$3,048 37					1,507 96	1,068,822 48
1862		1,122,333 50		$215 70					1,435,890 45
1863	7,910 78	1,896,329 87	3,869 75	18,563 68	$1,816 97	$2,198 88	$103 68		2,046,050 11
1864	14,192 80	935,146 72	114 72	7,347 97	847,782 60		944 74		1,911,184 04
Total	85,728 84	4,908,151 22	7,032 84	26,127 55	849,549 57	2,198 88	1 048 42	44,364 97	245,815,766 82

E.—*Statement of gold of domestic production, &c.*—Continued.

2. BRANCH MINT, SAN FRANCISCO.

Period.	Parted from silver.	California.	Colorado.	Nevada.	Oregon.	Dacota.	Washington.	Idaho.	Total.
1854	.....	$10,842,281 23	.....	.....	.....	.....	.....	.....	$10,842,281 23
1855	.....	20,860,437 20	.....	.....	.....	.....	.....	.....	20,860,437 20
1856	.....	29,209,218 24	.....	.....	.....	.....	.....	.....	29,209,218 24
1857	.....	12,526,826 93	.....	.....	.....	.....	.....	.....	12,526,826 93
1858	.....	19,104,369 99	.....	.....	.....	.....	.....	.....	19,104,369 99
1859	.....	14,098,564 14	.....	.....	.....	.....	.....	.....	14,098,564 14
1860	.....	11,319,913 83	.....	.....	.....	.....	.....	.....	11,319,913 83
1861	.....	12,206,382 64	.....	.....	.....	.....	.....	.....	12,206,382 64
1862	$822,823 01	14,029,759 95	$680 00	$13,000 00	$888,000 00	.....	.....	.....	15,754,262 96
1863	1,108,466 57	13,045,711 69	59,472 00	11,250 00	3,001,104 00	$5,760 00	$12,642 00	.....	17,274,436 26
1864	220,890 18	14,863,657 52	.....	.....	2,139,305 00	.....	.....	$1,257,497 50	18,481,350 20
Total	2,152,179 76	172,107,123 36	60,152 00	24,250 00	6,028,409 00	5,760 00	12,672 00	1,257,497 50	181,648,043 62

3. BRANCH MINT, NEW ORLEANS.

Period.	North Carolina.	South Carolina.	Georgia.	Tennessee.	Alabama.	California.	Colorado.	Other sources.	Total.
1838 to 1847	$741,00	$14,306 00	$37,364 00	$1,772 00	$61,903 00	.....	.....	$3,613 00	$119,699 00
1848 to 1857	.....	1,911 00	2,317 00	947 00	15,379 00	$21,606,461 54	.....	3,677 00	21,630,692 54
1858	.....	.....	1,560 00	164 12	.....	448,439 84	.....	.....	450,163 96
1859	.....	.....	.....	.....	.....	93,272 41	.....	.....	93,272 41
1860	.....	.....	.....	.....	661 53	97,135 00	$1,770 39	.....	99,566 92
1861, (to January 31)	.....	.....	.....	.....	.....	19,932 10	1,666 81	.....	21,598 91
Total	741 00	16,217 00	41,241 00	2,883 12	77,943 53	22,265,240 89	3,437 20	7,290 00	22,414,993 74

E.—*Statement of gold of domestic production, &c.*—Continued.

4. BRANCH MINT, CHARLOTTE, NORTH CAROLINA.

Period.	North Carolina.	South Carolina.	California.	Total.
1838 to 1847	$1,529,777 00	$143,941 00	.....	$1,673,718 00
1848 to 1857	2,503,412 68	222,754 17	$87,321 01	2,813,487 86
1858	170,560 33	5,507 16	.....	176,067 49
1859	182,489 61	22,762 71	.....	205,252 32
1860	134,491 17	.....	.....	134,491 17
1861, (to March 31)	.....	65,558 30	.....	65,558 30
Total	4,520,730 79	460,523 34	87,321 01	5,068,575 14

5. BRANCH MINT, DAHLONEGA.

Period.	Utah.	North Carolina.	South Carolina.	Georgia.	Tennessee.	Alabama.	California.	Colorado.	Other sources.	Total.
1838 to 1847	.....	$64,351 00	$95,427 00	$2,978,353 00	$32,175 00	$47,711 00	.....	.....	.....	$3,218,017 00
1848 to 1857	.....	28,278 82	174,811 91	1,159,420 98	9,837 42	11,918 92	$1,124,712 82	.....	$951 00	2,609,931 87
1858	.....	.....	32,322 28	57,891 45	107 33	.....	5,293 52	.....	.....	95,614 58
1859	.....	2,656 88	4,610 35	57,023 12	.....	.....	699 19	$82 70	.....	65,072 24
1860	.....	3,485 70	2,064 36	35,588 92	.....	.....	1,097 37	2,490 86	.....	67,085 21
1861, (to Feb. 28)	$145 14	812 79	2,066 91	22,182 14	.....	.....	4,213 79	32,772 28	.....	62,193 05
Total	145 14	99,585 19	311,242 81	4,310,459 61	42,119 75	59,629 92	1,236,016 69	57,763 84	951 00	6,117,913 95

6. ASSAY OFFICE, NEW YORK.

Period.	Parted from silver.	Virginia.	N. Carolina.	S. Carolina.	Georgia.	Alabama.	New Mexico.	California.
1854		$167 00	$3,916 00	$395 00	$1,242 00			$9,221,457 00
1855		2,370 00	3,750 00	7,620 00	13,100 00	$350 00		25,025,896 11
1856		6,928 00	805 07	4,052 29	41,101 28	233 62		16,529,008 90
1857		1,531 00	1,689 00	2,663 00	10,451 00	1,545 00		9,899,957 00
1858		501 00	7,007 00	6,354 00	12,951 00	2,181 00		19,660,531 46
1859		436 00	20,122 00	700 00	14,756 00	593 00		11,694,872 25
1860		4,202 00	9,755 00		19,368 00			6,023,628 36
1861		3,869 00	2,753 00	670 00	6,900 00	818 00	$6,714 00	19,227,658 14
1862	$241,029 00	316 00	2,232 00	2,065 00	1,469 00		1,543 00	12,580,647 83
1863	34,328 00		130 00				5,580 00	346,244 60
1864	7,618 00							
Total	282,975 00	20,320 00	52,159 07	24,519 29	121,338 28	5,720 62	13,837 00	130,326,002 71

Period.	Idaho.	Colorado.	Utah.	Arizona.	Oregon.	Nevada.	Vermont.	Other sources.	Total.
1854									$9,227,177 00
1855								$1,600 00	25,054,686 11
1856									16,582,129 16
1857									9,917,836 00
1858					$5,581 00			27,523 00	19,722,629 46
1859		$3,944 00			2,866 00			405 00	11,738,694 25
1860		248,981 00	$4,630 00	$1,190 00					6,311,804 36
1861		1,449,166 00	73,734 00	16,871 00	3,181 00				20,792,334 14
1862		912,403 00		391 00	205 00	$40,846 00		3,293 00	13,786,439 83
1863		937,535 00		391 00	7,813 00		$298 00		1,332,319 60
1864	$201,288 00	715,208 00		3,775 00	8,650 00	74 00		117,347 00	1,170,051 06
Total	201,288 00	4,267,237 00	78,414 00	22,618 00	28,296 00	40,920 00	298 00	150,168 00	135,636,110 97

E.—*Statement of gold of domestic production, &c.*—Continued.

7. BRANCH MINT, DENVER.

Period.	Colorado.
1864	$486,329 97

8. SUMMARY EXHIBIT OF THE ENTIRE DEPOSITS OF DOMESTIC GOLD AT THE U. S. MINT AND BRANCHES TO JUNE 30, 1864.

Mint.	Parted from silver.	Virginia.	N. Carolina.	S. Carolina.	Georgia.	Alabama.	Tennessee.	California.	Colorado.	Utah.
Philadelphia	$80,230 14	$1,538,554 41	$4,448,180 98	$540,467 00	$2,436,336 38	$55,036 76	$36,403 88	$230,707,118 45	$4,908,151 22	.....
San Francisco	2,152,179 76	.....	.....	.....	.....	.....	.....	172,107,123 36	60,152 00	.....
New Orleans	.....	.....	741 00	16,217 00	41,241 00	77,943 53	2,883 12	22,255,240 89	3,437 20	.....
Charlotte	.....	.....	4,520,730 79	460,523 34	.....	.....	.....	87,321 01	.....	.....
Dahlonega	.....	.....	99,585 19	311,242 81	4,310,459 61	59,629 92	42,119 75	1,236,016 69	57,763 84	$145 14
Assay office	282,975 00	20,320 00	52,159 07	24,519 29	121,338 28	5,720 62	.....	130,326,002 71	4,267,237 00	78,414 00
Denver	.....	.....	.....	.....	.....	.....	.....	.....	486,329 97	.....
Total	2,515,384 90	1,558,874 41	9,121,397 03	1,352,969 44	6,909,375 27	198,330 83	81,406 75	556,718,823 11	9,783,071 23	78 559 14

Mint.	Arizona.	N. Mexico.	Oregon.	Nevada T.	Dakota Ter.	Idaho Ter.	Wash'n Ter.	Vermont.	Other sources.	Total.
Philadelphia	$7,032 84	$49,186 53	$85,728 84	$1,048 42	$2,198 88	$849,599 57	$26,127 55	.....	$44,364 97	$245,815,766 82
San Francisco	.....	.....	6,028,409 00	24,250 00	5,760 00	1,257,497 50	12,672 00	.....	.....	181,648,043 62
New Orleans	.....	.....	.....	.....	.....	.....	.....	.....	7,290 00	22,404,993 74
Charlotte	.....	.....	.....	.....	.....	.....	.....	.....	951 00	5,068,575 14
Dahlonega	.....	.....	.....	.....	.....	.....	.....	.....	.....	6,117,913 95
Assay office	22,618 00	13,837 00	28,296 00	40,920 00	.....	201,288 00	.....	$298 00	150,168 00	135,636,110 97
Denver	.....	.....	.....	.....	.....	.....	.....	.....	.....	486,329 97
Total	29,650 84	63,023 53	6,142,433 84	66,218 42	7,958 88	2,308,385 07	38,799 55	298 00	202,773 97	597,177,734 21

SCHEDULE F.

Statement of the amount of silver coined at the mint of the United States and branches at San Francisco and New Orleans, under the act of February 21, 1853.

Period.	United States mint at Philadelphia.	Branch mint at San Francisco.	Branch mint at New Orleans, (to Jan. 31, 1861.)	Total.
1853	$7,806,461 00		$1,225,000 00	$9,031,461 00
1854	5,340,130 00		3,246,000 00	8,586,130 00
1855	1,393,170 00	$164,075 00	1,918,000 00	3,475,245 00
1856	3,150,740 00	177,000 00	1,744,000 00	5,071,740 00
1857	1,333,000 00	50,000 00		1,383,000 00
1858	4,970,980 00	127,750 00	2,942,000 00	8,040,730 00
1859	2,926,400 00	283,500 00	2,689,000 00	5,898,900 00
1860	519,890 00	356,500 00	1,293,000 00	2,169,390 00
1661	1,433,800 00	198,000 00	414,000 00	2,045,800 00
1862	2,168,941 50	641,700 00		2,810,641 50
1863	326,817 80	815,875 00		1,142,692 80
1864	177,544 10	347,500 00		525,044 10
Total	31,547,874 40	3,161,900 00	15,471,000 00	50,180,774 40

SCHEDULE G.

Statement of the amount of silver of domestic production at the mint of the United States and branches from January, 1841, to June, 1864.

Period.	Parted from gold.	Nevada	Arizona.	Sonora.	North Carolina.	Lake Superior.	California.	Total.
1841 to 1851	$768,509 00							$768,509 00
1852	404,494 00							404,494 00
1853	417,279 00							417,279 00
1854	328,199 00							328,199 00
1855	333,053 00							333,053 00
1856	321,938 38							321,938 38
1857	127,256 12							127,256 12
1858	300,849 36					$15,623 00		316,472 36
1859	219,647 34				$23,398 00	30,122 13		273,167 47
1860	138,561 70	$102,540 77	$13,357 00	$1,200 00	12,257 00	25,880 58		293,797 05
1861	364,724 73	213,920 84	12,260 00		6,233 00	13,372 72		610,011 29
1862	245,122 47	757,446 60	105 00			21,366 38	$8,234 00	1,032,264 45
1863	188,394 94	856,043 37				13,111 32		1,057,549 53
1864	166,791 55	311,837 01		45 00		8,765 77		487,438 33
	4,324,820 59	2,241,288 49	25,722 00	1,245 00	41,888 00	128,241 90	8,224 00	6,771,429 98

SCHEDULE H.

Statement of cents of former issue deposited at the United States mint for exchange for cents of new issue, to June 30, 1864.

Period.	Value by tale.
1857	$16,602
1858	39,404
1859	47,235
1860	37,500
1861	95,245
1862	53,365
1863	6,185
1864	490
Total	296,026

A statement of foreign gold and silver coins, prepared by the Director of the Mint, to accompany his annual report, in pursuance of the act of February 21, 1857.

EXPLANATORY REMARKS.

The first column embraces the names of the countries where the coins are issued; the second contains the names of coin, only the principal denominations being given. The other sizes are proportional; and when this is not the case the deviation is stated.

The third column expresses the weight of a single piece in fractions of the troy ounce, carried to the thousandth, and in a few cases to the ten thousandth of an ounce. The method is preferable to expressing the weight in grains for commercial purposes, and corresponds better with the terms of the mint. It may be readily transferred to weight in grains by the following rule: Remove the decimal point; from one-half deduct four per cent. of that half, and the remainder will be grains.

The fourth column expresses the fineness in thousandths, *i. e.*, the number of parts of pure gold or silver in 1,000 parts of the coin.

The fifth and sixth columns of the first table express the valuation of gold. In the fifth is shown the value as compared with the legal content or amount of fine gold in our coin. In the sixth is shown the value as paid at the mint after the uniform deduction of one-half of one per cent. The former is the value for any other purposes than recoinage, and especially for the purpose of comparison; the latter is the value in exchange for our coins at the mint.

For the silver there is no fixed legal valuation, the law providing for shifting the price according to the condition of demand and supply. The present price of standard silver is 122½ cents per ounce, at which rate the values in the fifth column of the second table are calculated. In a few cases where the coins could not be procured the data are *assumed* from the legal rates, and so stated.

SCHEDULE I.

Gold coins.

Country.	Denomination.	Weight.	Fineness.	Value.	Value after deduction.
		Oz. dec.	*Thous.*		
Australia	Pound of 1852	0.281	916.5	$5.32.37	$5.29.71
	Sovereign, 1855–'60	0.256.5	916	4.85.58	4.83.16
Austria	Ducat	0.112	986	2.28.28	2.27.04
	Souverain	0.363	900	6.75.35	6.71.98
	New Union crown, (assumed)	0.357	900	6.64.19	6.60.87
Belgium	Twenty-five francs	0.254	899	4.72.03	4.69.67
Bolivia	Doubloon	0.867	870	15.59.25	15.51.46
Brazil	Twenty milreis	0.575	917.5	10.90.57	10.85.12
Central America	Two escudos	0.209	853.5	3.68.75	3.66.91
Chili	Old doubloon	0.867	870	15.59.26	15.51.47
	Ten pesos	0.492	900	9.15.35	9.10.78
Denmark	Ten thaler	0.427	895	7.90.01	7.86.06
Ecuador	Four escudos	0.433	844	7.55.46	7.51.69
England	Pound or sovereign, new	0.256.7	916.5	4.86.34	4.83.91
	Pound or sovereign, average	0.256.2	916	4.85.08	4.82.66
France	Twenty francs, new	0.207.5	899.5	3.85.83	3.83.91
	Twenty francs, average	0.207	899	3.84.69	3.82.77
Germany, north	Ten thaler	0.427	895	7.90.01	7.86.06
	Ten thaler, Prussian	0.427	903	7.97.07	7.93.09
	Krone, (crown)	0.357	900	6.64.20	6.60.88
Germany, south	Ducat	0.112	986	2.28.28	2.27.14
Greece	Twenty drachms	0.185	900	3.44.19	3.42.47
Hindostan	Mohur	0.374	916	7.08.18	7.04.64
Italy	Twenty lire	0.207	898	3.84.26	3.82.34
Japan	Old cobang	0.362	568	4.44.0	4.41.8
	New cobang	0.289	572	3.57.6	3.55.8
Mexico	Doubloon, average	0.867.5	866	15.52.98	15.45.22
	Doubloon, new	0.867.5	870.5	15.61.05	15.53.25
Naples	Six ducati, new	0.245	996	5.04.43	5.01.91
Netherlands	Ten guilders	0.215	899	3.99.56	3.97.57
New Granada	Old doubloon, Bogota	0.868	870	15.61.06	15.53.26
	Old doubloon, Popayan	0.867	858	15.37.75	15.30.07
	Ten pesos, new	0.525	891.5	9.67.51	9.62.68
Peru	Old doubloon	0.867	868	15.55.67	15.47.90
Portugal	Gold crown	0.308	912	5.80.66	5.77.76
Prussia	New Union crown, (assumed)	0.357	900	6.64.19	6.60.87
Rome	Two and a half scudi, new	0.140	900	2.60.47	2.59.17
Russia	Five roubles	0.210	916	3.97.64	3.95.66
Spain	One hundred reals	0.268	896	4.96.39	4.93.91
	Eighty reals	0.215	869.5	3.86.44	3.84.51
Sweden	Ducat	0.111	975	2.23.72	2.22.61
Tunis	Twenty-five piastres	0.161	900	2.99.54	2.98.05
Turkey	One hundred piastres	0.231	915	4.36.93	4.34.75
Tuscany	Sequin	0.112	999	2.31.29	2.30.14

SCHEDULE J.

Silver coins.

Country.	Denomination.	Weight.	Fineness.	Value.
		Oz. dec.	*Thous.*	
Austria	Old rix dollar	0.902	833	$1.02:27
	Old scudo	0.836	902	1.02.64
	Florin, before 1858	0.451	833	51.14
	New florin	0.397	900	48.63
	New Union dollar	0.596	900	73.01
	Maria Theresa dollar, 1780	0.895	838	1.02.12
Belgium	Five francs	0.803	897	98.04
Bolivia	New dollar	0.643	903.5	79.07
	Half dollar	0.432	667	39.22
Brazil	Double milreis	0.829	918.5	1.02.53
Canada	Twenty cents	0.150	925	18.87
Central America	Dollar	0.866	850	1.00.19
Chili	Old dollar	0.864	908	1.06.79
	New dollar	0.801	900.5	98.17
Denmark	Two rigsdaler	0.927	877	1.10.65
England	Shilling, new	0.182.5	924.5	22.96
	Shilling, average	0.178	925	22.41
France	Five franc, average	0.800	900	98.00
Germany, north	Thaler, before 1857	0.712	750	72.67
	New thaler	0.595	900	72.89
Germany, south	Florin, before 1857	0.340	900	41.65
	New florin, (assumed)	0.340	900	41.65
Greece	Five drachms	0.719	900	88.08
Hindostan	Rupee	0.374	916	46.62
Japan	Itzebu	0.279	991	37.63
	New itzebu	0.279	890	33.80
Mexico	Dollar, new	0.867.5	903	1.06.62
	Dollar, average	0.866	901	1.06.20
Naples	Scudo	0.844	830	95.34
Netherlands	Two and a half guild	0.804	944	1.03.31
Norway	Specie daler	0.927	877	1.10.65
New Granada	Dollar of 1857	0.803	896	97.92
Peru	Old dollar	0.866	901	1.06.20
	Dollar of 1858	0.766	909	94.77
	Half dollar, 1835–'38	0.433	650	38.31
Prussia	Thaler, before 1857	0.712	750	72.68
	New thaler	0.595	900	72.89
Rome	Scudo	0.864	900	1.05.84
Russia	Rouble	0.667	875	79.44
Sardinia	Five lire	0.800	900	98.00
Spain	New pistareen	0.166	899	20.31
Sweden	Rix dollar	1.092	750	1.11.48
Switzerland	Two francs	0.323	899	39.52
Tunis	Five piastres	0.511	898.5	62.49
Turkey	Twenty piastres	0.770	830	86.98
Tuscany	Florin	0.220	925	27.60

STATISTICS.

No. 1.

Gold, silver, and copper coinage at the Mint of the United States, in the several years from its establishment, in 1792; *the coinage at the branch mints, and the Assay office, New York, from their organization to June* 30, 1864.

Years.	Gold.	Silver.	Copper.	Total.
1793 to 1795	$71,485 00	$370,683 80	$11,373 00	$453,541 80
1796	102,727 50	79,077 50	10,324 40	192,129 40
1797	103,423 50	12,591 45	9,510 34	125,524 29
1798	205,610 00	330,291 00	9,797 00	545,698 00
1899	213,285 00	323,515 00	9,106 68	645,906 68
1800	317,760 00	224,296 00	29,279 40	571,335 40
	1,014,290 00	1,440,454 75	79,390 82	2,534,135 57
1801	422,570 00	74,758 00	13,628 37	510,956 37
1802	423,310 00	58,343 00	34,422 83	516,075 83
1803	258,377 50	87,118 00	25,203 03	370,698 53
1804	258,642 50	100,340 50	12,844 94	371,827 94
1805	170,367 50	149,388 50	13,483 48	333,239 48
1806	324,505 00	471,319 00	5,260 00	801,084 00
1807	437,495 00	597,448 75	9,652 21	1,044,595 96
1808	284,665 00	684,300 00	13,090 00	982,055 00
1809	169,375 00	707,376 00	8,001 53	884,752 53
1810	501,435 00	658,773 50	15,660 00	1,155,868 50
	3,250,742 50	3,569,165 25	151,246 39	6,971,154 14
1811	497,905 00	608,340 00	2,495 95	1,108,740 95
1812	290,435 00	814,029 50	10,755 00	1,115,219 50
1813	477,140 00	620,951 50	4,180 00	1,102,271 50
1814	77,270 00	561,687 50	3,578 30	642,535 80
1815	3,175 00	17,308 00	----------	20,483 00
1816	----------	28,575 75	28,209 82	56,785 57
1817	----------	607,783 50	39,484 00	647,267 50
1818	242,940 00	1,070,454 50	31,670 00	1,345,064 50
1819	258,615 00	1,140,000 00	26,710 00	1,425,325 00
1820	1,319,030 00	501,680 70	44,075 50	1,864,786 20
	3,166,510 00	5,970,810 95	191,158 57	9,328,479 52
1821	189,325 00	825,762 45	3,890 00	1,018,977 45
1822	88,980 00	805,806 50	20,723 39	915,509 89
1823	72,425 00	895,550 00	----------	967,975 00
1824	93,200 00	1,752,477 00	12,620 00	1,858,297 00
1825	156,385 00	1,564,583 00	14,926 00	1,735,894 00
1826	92,245 00	2,002,090 00	16,344 25	3,110,679 25
1827	131,565 00	2,869,200 00	23,577 32	3,024,342 32
1828	140,145 00	1,575,600 00	25,636 24	1,741,381 24
1829	295,717 50	1,994,578 00	16,580 00	2,306,875 50
1830	643,105 00	2,495,400 00	17,115 00	3,155,620 00
	1,903,092 50	16,781,046 95	151,412 20	18,835,551 65

No. 1—Continued.

Years.	Gold.	Silver.	Copper.	Total.
1831	$714,270 00	$3,175,600 00	$33,603 60	$3,923,473 60
1832	798,435 00	2,579,000 00	23,620 00	3,401,055 00
1833	978,550 00	2,759,000 00	28,160 00	3,765,710 00
1834	3,954,270 00	3,415,002 00	19,151 00	7,388,423 00
1835	2,186,175 00	3,443,003 00	39,489 00	5,668,667 00
1836	4,135,700 00	3,606,100 00	23,100 00	7,764,900 00
1837	1,148,305 00	2,096,010 00	55,583 00	3,299,898 00
1838	1,809,595 00	2,315,250 00	63,702 00	4,188,547 00
1839	1,375,760 00	2,098,636 00	31,286 61	3,505,682 61
1840	1,690,862 00	1,712,178 00	24,627 00	3,427,667 00
	18,791,862 00	27,199,779 00	342,322 21	46,333,963 21
1841	1,102,107 50	1,115,875 00	15,973 67	2,233,957 17
1842	1,833,170 50	2,325,750 00	23,833 90	4,182,754 40
1843	8,302,797 50	3,722,260 00	24,283 20	12,049,330 70
1844	5,428,230 00	2,235,550 00	23,977 52	7,687,757 51
1845	3,756,447 50	1,873,200 00	38,948 04	5,668,595 54
1846	4,034,177 50	2,558,580 00	41,208 00	6,633,965 50
1847	20,221,385 00	2,374,450 00	61,836 69	22,657,671 69
1848	3,775,512 50	2,040,050 00	64,157 99	5,879,720 49
1849	9,007,761 50	2,114,950 00	41,984 32	11,164,695 82
1850	31,981,738 50	1,866,100 00	44,467 50	33,392,306 00
	89,443,328 00	22,226,755 00	380,670 83	112,050,753 83
1851	62,614,492 50	774,397 00	99,635 43	63,488,524 93
1852	56,846,187 50	999,410 00	50,630 94	57,896,228 44
1853	55,213,906 94	9,077,571 00	67,059 78	64,358,537 72
1854	52,094,595 47	8,619,270 00	42,638 35	60,756,503 82
1855	52,795,457 20	3,501,245 00	16,030 79	56,312,732 99
1856	59,343,365 35	5,196,670 17	27,106 78	64,567,142 30
1857, (Jan. 1 to June 30, inclusive)	25,183,138 68	1,691,644 46	63,510 46	26,848,293 60
1858, fiscal year	52,889,800 29	8,233,287 77	234,000 00	61,357,088 06
1859, fiscal year	30,469,953 70	6,833,631 47	307,000 00	37,550,585 17
1860, fiscal year	23,447,283 35	3,250,636 26	342,000 00	27,039,919 61
	470,838,180 98	48,087,763 13	1,249,612 53	520,175,556 64
1861	80,708,400 64	2,883,706 94	101,660 00	83,693,767 58
1862	61,676,576 55	3,231,081 51	116,000 00	65,023,658 06
1863	22,645,729 90	1,564,297 22	478,450 00	24,688,477 12
1864	23,982,748 31	850,086 99	463,800 00	25,296,635 30
	189,013,455 40	8,529,172 66	1,159,910 00	198,702,538 06

No. 1—Continued

RECAPITULATION OF COINAGE FROM 1793 TO 1864, INCLUSIVE.

Years.	Gold.	Silver.	Copper.	Totals.
1793 to 1800, 8 yrs.	$1,014,290 00	$1,440,454 75	$79,390 82	$2,534,135 57
1801 to 1810, 10 yrs.	3,250,742 50	3,569,165 25	151,246 29	6,971,154 14
1811 to 1820, 10 yrs.	3,166,510 00	5,970,810 95	191,158 57	9,328,479 52
1821 to 1830, 10 yrs.	1,903,092 50	16,781,046 95	151,412 20	18,835,551 65
1831 to 1840, 10 yrs.	18,791,862 00	27,199,779 00	342,322 21	46,333,963 21
1841 to 1850, 10 yrs.	89,443,328 00	22,226,755 00	380,670 83	112,050,753 83
1851 to 1860, 9½ yrs.	470,838,180 98	48,087,763 13	1,249,612 53	520,175,556 64
1861 to 1864, 4 yrs.	189,013,455 40	8,529,172 66	1,159,910 00	198,702,538 06
Total.. 71½ yrs.	777,421,461 38	133,804,947 69	3,705,723 55	914,932,132 62

RECAPITULATION OF AVERAGES OF COINAGE FOR EACH DECADE FROM 1793 TO 1864, INCLUSIVE.

Years.	Gold.	Silver.	Copper.	Totals.
1793 to 1800, 8 yrs.	$126,786 25	$180,056 84	$9,923 85	$316,763 94
1801 to 1810, 10 yrs.	325,074 25	356,916 52	15,124 64	697,115 41
1811 to 1820, 10 yrs.	316,651 00	597,081 09	19,115 86	932,847 95
1821 to 1830, 10 yrs.	190,309 25	1,678,104 69	15,141 22	1,883,555 16
1831 to 1840, 10 yrs.	1,879,186 20	2,719,977 90	34,232 22	4,633,396 32
1841 to 1850, 10 yrs.	8,944,332 80	2,222,675 50	38,067 68	11,205,075 38
1851 to 1860, 9½ yrs.	49,561,913 79	5,061,869 80	131,538 16	54,755,321 75
1861 to 1864, 4 yrs.	47,253,363 85	2,132,293 16	289,977 50	49 675,634 51
1793 to 1864, 71½ yrs.	108,597,617 39	14,948,975 50	553,120 53	124,099,713 42

No. 2.

Statement of the public debt on the 1st day of January, in each of the years from 1791 to 1842, inclusive, and at various dates in subsequent years to July 1, 1864.

On the 1st day of January....	1791	$75,463,476 52
	1792	77,227,924 66
	1793	80,352,634 04
	1794	78,427,404 77
	1795	80,747,587 38
	1796	83,762,172 07
	1797	82,064,479 33
	1798	79,228,529 12
	1799	78,408,669 77
	1800	82,976,294 35
	1801	83,038,050 80
	1802	80,712,632 25
	1803	77,054,686 30
	1804	86,427,120 88
	1805	82,312,150 50
	1806	75,723,270 66
	1807	69,218,398 64
	1808	65,196,317 97
	1809	57,023,192 09
	1810	53,173,217 52
	1811	48,005,587 76
	1812	45,209,737 90
	1813	55,962,827 57
	1814	81,487,846 24
	1815	99,833,660 15
	1816	127,334,933 74
	1817	123,491,965 16
	1818	103,466,633 83
	1819	95,529,648 28
	1820	91,015,566 15
	1821	89,987,427 66
	1822	93,546,676 98
	1823	90,875,877 28
	1824	90,269,777 77
	1825	83,788,432 71
	1826	81,054,059 99
	1827	73,987,357 20
	1828	67,475,043 87
	1829	58,421,413 67
	1830	48,565,406 50
	1831	39,123,191 68
	1832	24,322,235 18
	1833	7,001,032 88
	1834	4,760,081 08
	1835	351,289 05
	1836	291,089 05
	1837	1,878,223 55
	1838	4,857,660 46

On the 1st day of January	1839	$11, 983, 737 53
	1840	5, 125, 077 63
	1841	6, 737, 398 00
	1842	15, 028, 486 37
On the 1st day of July	1843	27, 203, 450 69
	1844	24, 748, 188 23
	1845	17, 093, 794 80
	1846	16, 750, 926 33
	1847	38, 956, 623 38
	1848	48, 526, 379 37
On the 1st day of December	1849	64, 704, 693 71
	1850	64, 228, 238 37
On the 20th day of November	1851	62, 560, 395 26
On the 30th day of December	1852	65, 131, 692 13
On the 1st day of July	1853	67, 340, 628 78
	1854	47, 242, 206 05
On the 17th day of November	1855	39, 969, 731 05
On the 15th day of November	1856	30, 963, 909 64
On the 1st day of July	1857	29, 060, 386 90
	1858	44, 910, 777 66
	1859	58, 754, 699 33
	1860	64, 769, 703 08
	1861	90, 867, 828 68
	1862	514, 211, 371 92
	1863	1, 098, 793, 181 37
	1864	1, 740, 690, 489 49

S. B. COLBY, *Register.*

TREASURY DEPARTMENT,
Register's Office, November 16, 1864.

No. 3.—*Statement of the revenue collected from the beginning of the government to the 30th Public lands, and miscellaneous sources, with the receipts*

		From customs: duties, imposts, and tonnage.	From internal revenue.	From direct tax.	From postage.
From March 4, 1789, to Dec. 31	1791	$4,399,473 09			
For the year	1792	3,443,070 85	$208,924 81		
	1793	4,255,306 56	337,705 70		$11,020 51
	1794	4,801,065 28	274,089 62		29,478 49
	1795	5,588,461 26	337,755 36		82,400 00
	1796	6,567,987 94	475,289 60		72,909 84
	1797	7,549,649 65	575,491 45		64,500 00
	1798	7,106,061 93	644,357 95		39,500 00
	1799	6,610,449 31	779,136 44		41,000 00
	1800	9,080,932 73	809,396 55	$734,223 97	78,000 00
	1801	10,750,778 93	1,048,033 43	534,343 38	79,500 00
	1802	12,438,235 74	621,898 89	206,565 44	35,000 00
	1803	10,479,417 61	215,177 69	71,879 20	16,427 26
	1804	11,098,565 33	50,941 29	50,198 44	26,500 00
	1805	12,936,487 01	21,747 15	21,883 91	21,342 50
	1806	14,667,698 17	20,101 45	55,763 86	41,117 67
	1807	15,845,521 61	13,051 40	34,732 56	3,614 73
	1808	16,363,550 58	8,210 73	19,159 21	
	1809	7,296,020 58	4,044 39	7,517 31	
	1810	8,583,309 31	7,430 63	12,448 68	
	1811	13,313,222 73	2,295 95	7,666 66	37 70
	1812	8,958,777 53	4,903 06	859 22	85,039 70
	1813	13,224,633 25	4,755 04	3,805 52	35,000 00
	1814	5,998,772 08	1,662,984 22	2,219,497 36	45,000 00
	1815	7,282,942 22	4,678,059 07	2,162,673 41	135,000 00
	1816	36,306,874 88	5,124,708 31	4,253,635 09	149,787 74
	1817	26,283,348 49	2,678,100 77	1,834,187 04	29,371 91
	1818	17,176,385 00	955,279 20	264,333 36	20,070 00
	1819	20,283,698 76	229,593 63	83,650 78	71 32
	1820	15,005,612 15	106,260 53	31,586 82	6,465 95
	1821	13,004,447 15	69,027 63	29,349 05	516 91
	1822	17,589,761 94	67,665 71	20,961 56	602 04
	1823	19,088,433 44	34,242 17	10,337 71	110 69
	1824	17,878,325 71	34,663 37	6,201 96	
	1825	20,098,713 45	25,771 35	2,330 85	469 56
	1826	23,341,331 77	21,589 93	6,638 76	300 14
	1827	19,712,283 29	19,885 68	2,626 90	101 00
	1828	23,205,523 64	17,451 54	2,218 81	20 15
	1829	22,681,965 91	14,502 74	11,335 05	26 60
	1830	21,922,391 39	12,160 63	16,980 59	55 13
	1831	24,224,441 77	6,933 51	10,506 01	561 02
	1832	28,465,237 24	11,630 65	6,791 13	244 95
	1833	29,032,508 91	2,759 00	394 12	
	1834	16,214,957 15	4,196 09	19 80	100 00
	1835	19,391,310 59	10,459 48	4,263 33	893 00
	1836	23,409,940 53	370 00	728 79	10 91
	1837	11,169,290 39	5,493 84	1,687 70	
	1838	16,158,800 36	2,467 27		
	1839	23,137,924 81	2,553 32	755 22	
	1840	13,499,502 17	1,682 25		
	841	14,487,216 74	3,261 36		
	1842	18,187,908 76	495 00		
Half year to June 30	1843	7,046,843 91	103 25		
Year ending June 30	1844	26,183,570 94	1,777 34		
	1845	27,528,112 70	3,517 12		
	1846	26,712,667 87	2,897 26		
	1847	23,747,864 66	375 00		
	1848	31,757,070 96	375 00		
	1849	28,346,738 82	375 00		
	1850	39,668,686 42			
	1851	49,017,567 92			
	1852	47,339,326 62			
	1853	58,931,865 52			
	1854	64,224,190 27			
	1855	53,025,794 21			
	1856	64,022,863 50			
	1857	63,875,905 05			
	1858	41,789,620 96			
	1859	49,565,824 38			
	1860	53,187,511 87			
	1861	39,582,125 64			
	1862	49,056,397 62		1,795,331 73	
	1863	69,059,642 40	37,640,787 95	1,485,103 61	
	1864	102,316,152 99	109,741,134 10	475,648 96	

TREASURY DEPARTMENT, *December* 1, 1864.

of June, 1864, under the several heads of Customs, Internal Revenue, Direct Tax, Postage, from loans and treasury notes, and the total receipts.

From public lands.	From bank stock, dividends, and bonus.	From miscellaneous sources.	Total, exclusive of loans and treasury notes.	From loans and treasury notes.	Total receipts.
.....	.....	$19,440 10	$4,418,913 19	$5,791,112 56	$10,210,025 75
.....	$8,028 00	9,936 65	3,669,960 31	5,070,806 46	8,740,766 77
.....	38,500 00	10,390 37	4,652,923 14	1,067,701 14	5,720,624 28
.....	303,472 00	23,709 48	5,431,904 87	4,609,196 78	10,041,101 65
.....	162,000 00	5,917 97	6,114,534 59	3,305,268 20	9,419,802 79
$4,836 13	1,240,000 00	16,506 14	8,377,529 65	362,800 00	8,740,329 65
83,540 60	385,220 00	30,379 29	8,688,780 99	70,135 41	8,758,916 40
11,963 11	79,920 00	18,692 81	7,900,495 80	308,574 27	8,209,070 07
.....	71,040 00	45,187 56	7,546,813 31	5,074,646 53	12,621,459 84
443 75	71,040 00	74,712 10	10,848,749 10	1,602,435 04	12,451,184 14
167,726 06	88,800 00	266,149 15	12,935,330 95	10,125 00	12,945,455 95
188,628 02	1,327,560 00	177,995 86	14,995,793 95	5,537 36	15,001,391 31
165,675 69	.....	115,518 18	11,064,097 63	.....	11,064,097 63
487,526 79	.....	112,573 53	11,836,307 38	9,532 64	11,835,840 02
540,193 80	.....	19,039 80	13,569,694 20	128,814 94	13,689,509 14
765,245 73	.....	10,004 19	15,539,931 07	48,897 71	15,588,828 78
466,163 27	.....	34,935 69	16,358,019 26	.....	16,358,019 26
647,939 06	.....	21,802 35	17,060,661 93	1,822 16	17,062,484 09
442,252 33	.....	23,638 51	7,773,473 12	.....	7,773,473 12
696,548 82	.....	84,476 84	9,384,214 28	2,759,992 25	12,144,206 53
1,040,237 53	.....	60,068 52	14,423,529 09	8,309 05	14,431,838 14
710,427 78	.....	41,125 47	9,801,132 76	12,837,900 00	22,639,032 76
855,655 14	.....	236,571 00	14,340,409 95	26,184,435 00	40,524,844 95
1,135,971 09	.....	119,399 81	11,181,625 16	23,377,911 79	34,559,536 95
1,287,959 28	.....	150,282 74	15,636,916 82	35,264,320 78	50,961,237 60
1,717,185 03	.....	123,994 61	47,676,285 66	9,494,436 16	57,171,421 82
1,991,226 06	202,426 00	80,389 17	33,099,040 74	734,542 59	33,833,592 03
2,606,564 77	525,000 00	37,547 71	21,583,189 04	8,765 62	21,591,945 66
3,274,422 78	675,000 00	57,627 10	24,633,374 37	2,291 00	24,635,665 37
1,635,871 61	1,000,000 00	54,872 49	17,810,669 55	3,040,824 13	20,881,493 68
1,212,966 46	105,000 00	152,072 52	14,573,379 72	5,000,324 00	19,573,703 72
1,803,581 54	297,500 00	452,355 15	20,232,427 94	.....	20,232,427 94
916,523 10	350,000 00	141,019 15	20,540,666 26	.....	20,540,666 26
984,418 15	350,000 00	127,603 60	19,381,212 79	5,000,000 00	24,381,212 79
1,216,090 56	367,500 00	129,982 25	21,849,858 02	5,000,000 00	26,849,858 02
1,393,785 09	402,500 00	94,288 52	25,260,434 21	.....	25,260,434 21
1,495,845 26	420,000 00	1,315,621 83	22,966,353 96	.....	22,966,363 96
1,018,308 75	455,000 00	65,106 34	24,763,629 23	.....	24,763,629 23
1,517,175 13	490,000 00	112,561 25	24,827,627 38	.....	24,827,627 38
2,339,356 14	490,000 00	73,172 64	24,844,116 51	.....	24,844,116 51
3,210,815 48	490,000 00	553,563 03	28,536,820 82	.....	28,536,820 82
2,623,381 03	659,000 00	101,165 66	31,867,450 66	.....	31,867,450 66
3,967,682 55	610,285 00	334,796 67	33,948,426 25	.....	33,948,426 25
4,857,609 69	586,649 50	128,412 32	21,791,935 55	.....	21,791,935 55
14,757,600 75	569,289 82	636,279 13	35,430,087 10	.....	35,430,087 10
21,877,179 86	328,674 67	2,239,891 32	50,826,796 08	.....	50,826,796 08
6,776,236 52	1,375,965 44	5,625,479 15	24,954,153 04	2,992,989 15	27,947,142 19
3,081,939 47	4,542,102 22	2,517,252 42	26,302,561 74	12,716,820 86	39,019,382 60
7,076,447 35	.....	1,265,688 91	31,482,749 61	3,857,276 21	35,340,025 82
3,292,683 29	1,744,513 80	911,733 83	19,480,115 33	5,589,547 51	25,069,662 84
1,365,627 43	672,769 38	331,285 37	16,660,160 27	13,659,317 38	30,319,477 65
1,345,707 52	.....	440,807 97	19,965,009 25	14,808,735 64	34,773,744 89
897,818 11	.....	296,235 99	8,345,091 26	12,541,409 19	20,782,410 45
2,050,939 80	.....	1,075,419 70	29,320,707 78	1,877,847 95	31,198,555 73
2,077,022 30	.....	333,201 78	29,941,853 90	.....	29,941,853 90
2,694,452 48	.....	274,139 44	29,684,157 05	.....	29,684,157 05
2,498,355 20	.....	284,444 36	26,531,039 22	28,870,765 36	55,401,804 58
3,328,642 56	.....	627,021 13	35,713,109 65	21,293,780 00	57,006,889 65
1,688,959 55	.....	338,233 70	30,374,307 07	29,422,585 91	59,796,892 98
1,859,894 25	.....	706,059 12	42,334,639 79	5,435,126 96	47,769,766 75
2,352,305 30	266,072 09	921,933 24	52,557,878 55	203,400 00	52,761,278 55
2,043,239 58	1,021 34	438,580 76	49,822,168 30	46,300 00	49,868,468 30
1,607,084 90	.....	1,188,104 07	61,787,054 58	16,350 00	61,803,404 58
8,470,778 30	.....	1,105,352 74	73,800,341 40	1,950 00	73,802,291 40
11,497,049 07	.....	827,731 40	65,350,574 68	800 00	65,351,374 68
8,917,644 93	.....	1,116,190 81	74,056,699 24	200 00	74,056,899 24
3,829,486 64	.....	1,259,920 88	68,965,312 57	3,900 00	68,969,212 57
3,513,715 87	.....	1,352,029 13	46,655,365 96	23,717,300 00	70,372,665 96
1,756,687 30	.....	2,163,953 96	53,486,465 64	28,287,500 00	81,773,965 64
1,778,557 71	.....	1,088,530 25	56,054,599 83	20,786,808 00	76,841,407 83
870,658 54	.....	1,023,515 31	41,476,299 49	41,895,340 65	83,371,640 13
152,203 77	.....	931,787 64	51,935,720 76	529,692,460 50	581,628,181 26
167,617 17	.....	4,344,139 82	112,687,290 95	776,682,361 57	889,379,652 52
583,333 29	.....	51,505,502 26	264,626,771 60	1,121,131,842 98	1,385,758,614 58

S. B. COLBY, *Register.*

No. 4.—*Statement of expenditures from the beginning of the government to June 30, 1864, Pensions, Indian department, and miscellaneous,*

[The years 1862, 1863, and 1861 are from the account of warrants on the treasury

		Civil list.	Foreign intercourse.	Navy Department.	War Department.	Pensions.
From March 4, 1789, to Dec. 31	1791	$757, 134 45	$14, 733 33	$570 00	$632, 804 03	$175, 813 88
For the year	1792	380, 917 58	78, 766 67	53 02	1, 100, 702 09	109, 243 15
	1793	358, 241 08	89, 500 00	.....	1, 130, 249 08	80, 017 81
	1794	440, 946 58	146, 403 51	61, 408 97	2, 639, 097 59	81, 399 24
	1795	361, 633 36	912, 685 12	410, 562 03	2, 480, 910 13	68, 673 22
	1796	447, 139 05	184, 859 64	274, 784 04	1, 260, 263 84	100, 843 71
	1797	483, 233 70	669, 788 54	382, 631 89	1, 039, 402 66	92, 256 97
	1798	509, 695 17	457, 448 74	1, 381, 347 76	2, 009, 522 30	104, 845 33
	1799	592, 905 76	271, 374 11	2, 838, 681 84	2, 466, 946 98	95, 444 03
	1800	748, 628 45	393, 288 18	3, 448, 716 03	2, 560, 878 77	64, 130 73
	1801	549, 288 31	295, 676 73	2, 111, 424 00	1, 672, 944 08	73, 553 37
	1802	596, 181 11	550, 925 93	915, 561 87	1, 179, 148 25	85, 440 39
	1803	526, 583 12	1, 110, 834 77	1, 215 230 53	822, 055 85	62, 902 10
	1804	624, 795 63	1, 186, 655 57	1, 189, 832 75	875, 423 93	80, 092 80
	1805	585, 849 79	2, 798, 028 77	1, 597, 500 00	712, 781 28	81, 854 59
	1806	684, 200 53	1, 760, 421 30	1, 649, 641 44	1, 224, 355 38	81, 875 53
	1807	635, 524 65	577, 826 34	1, 722, 664 47	1, 288, 685 91	70, 500 00
	1808	691, 167 80	304, 992 83	1, 884, 067 80	2, 900, 834 40	82, 576 04
	1809	712, 465 13	166, 306 04	2, 427, 758 80	3, 347, 772 17	87, 833 54
	1810	703, 994 03	81, 367 42	1, 654, 244 20	2, 294, 323 94	83, 744 16
	1811	644, 407 27	264, 904 47	1, 965, 566 39	2, 032, 838 19	75, 043 88
	1812	836, 271 55	347, 763 25	3, 959, 365 15	11, 817 753 24	91, 402 10
	1813	780, 545 45	209, 941 01	6, 446, 600 10	19, 662, 013 02	86, 589 91
	1814	937, 424 23	177, 179 97	7, 311, 290 60	20, 350, 806 86	90, 164 36
	1815	852, 247 16	290, 892 04	8, 660, 000 25	14, 794, 294 22	69, 656 06
	1816	1, 208, 125 77	364, 630 40	3, 908, 278 30	16, 012, 096 80	188, 804 15
	1817	994, 536 17	281, 995 97	3, 314, 598 49	8, 004, 236 53	297, 374 43
	1818	1, 109, 539 79	420, 429 90	2, 953, 695 00	5, 622, 715 10	*890, 719 90
	1819	1, 142, 180 44	284, 113 94	3, 847, 640 42	6, 506, 300 37	2, 415, 929 85
	1820	1, 248, 310 05	253, 370 04	4, 387, 990 00	2, 630, 392 31	3, 208, 376 31
	1821	1, 113, 292 64	207, 110 75	3, 319, 243 06	4, 461, 291 78	2, 4, 817 25
	1822	1, 158, 131 58	164, 879 51	2, 224, 458 98	3, 111, 981 48	1, 948, 199 40
	1823	1, 058, 911 65	292, 118 56	2, 503, 765 83	3, 096, 934 43	1, 780, 588 53
	1824	1, 336, 266 24	15, 140, 059 83	2, 934, 581 56	3, 340, 959 85	1, 498, 336 59
	1825	1, 330, 747 24	371, 666 25	3, 049, 083 86	3, 653, 914 18	1, 308, 810 57
	1826	1, 256, 745 48	232, 719 08	4, 218, 902 45	3, 943, 194 37	1, 556, 593 83
	1827	1, 228, 141 04	659, 211 87	4, 263, 877 45	3, 938, 977 88	976, 148 86
	1828	1, 455, 490 58	1, 001, 193 66	3, 918, 786 44	4, 145, 544 56	850, 573 57
	1829	1, 327, 069 36	207, 765 85	3, 308, 745 47	6, 250, 230 28	949, 594 47
	1830	1, 579, 724 64	294, 067 27	3, 239, 428 63	6, 752, 688 66	1, 363, 297 31
	1831	1, 373, 755 99	298, 551 00	3, 856, 183 07	4, 846, 405 61	1, 170, 665 14
	1832	1, 800, 757 74	325, 181 07	3, 956, 370 29	5, 446, 131 23	1, 184, 422 40
	1833	1, 562, 758 28	955, 395 88	3, 901, 356 75	6, 705, 022 95	4, 589, 152 40
	1834	2, 080, 601 60	241, 562 35	3, 956, 260 42	5, 638, 517 51	3, 364, 285 30
	1835	1, 905, 551 51	774, 750 28	3, 864, 959 06	5, 837, 948 57	1, 954, 711 33
	1836	2, 110, 173 47	533, 382 63	5, 807, 718 23	11, 791, 308 02	2, 882, 707 96
	1837	2, 357, 0 5 94	4, 603, 905 40	6, 646, 914 53	13, 731, 172 31	2, 672, 162 45
	1838	2, 688, 708 56	1, 215, 095 52	6, 131, 580 53	13, 088, 169 69	2, 156, 037 29
	1839	2, 116, 982 77	987, 667 92	6, 182, 294 25	9, 227, 045 90	3, 142, 750 50
	1840	2, 736, 769 31	683, 278 15	6, 113, 896 89	7, 155, 204 99	2, 603, 552 17
	1841	2, 556, 471 79	428, 410 57	6, 001, 076 97	9, 042, 749 99	2, 388, 434 51
	1842	2, 905, 041 65	563, 191 41	8, 307, 242 95	6, 658, 137 16	1, 378, 931 33
Sixth months ending June 30	1843	1, 222, 422 48	400, 566 04	3, 727, 711 53	3, 104, 638 48	839, 041 12
Fiscal year ending June 30	1844	2, 454, 958 15	626, 079 66	6, 498, 199 11	5, 192, 445 05	2, 032, 038 99
	1845	2, 360, 653 79	702, 637 22	6, 297, 177 89	5, 819, 888 50	2, 398, 867 29
	1846	2, 532, 232 92	409, 292 55	6, 455, 013 92	10, 362, 374 36	1, 809, 739 63
	1847	2, 570, 338 44	405, 079 10	7, 900, 635 76	35, 776, 495 72	1, 742, 890 85
	1848	2, 647, 602 87	448, 593 01	9, 468, 476 02	27, 823, 374 80	1, 226, 500 92
	1849	2, 865, 196 91	6, 908, 996 72	9, 786, 705 92	16, 563, 543 33	1, 193, 695 87
	1850	3, 027, 454 39	5, 990, 858 81	7, 904, 724 66	9, 687, 024 58	1, 866, 886 02
	1851	3, 481, 219 51	6, 256, 427 16	8, 880, 581 38	12, 161, 965 11	2, 293, 377 22
	1852	3, 439, 923 22	4, 196, 321 59	8, 918, 842 10	8, 521, 506 19	2, 401, 858 78
	1853	4, 265, 861 68	950, 871 30	11, 067, 789 53	9, 910, 498 49	1, 736, 262 45
	1854	4, 621, 492 24	†7, 763, 812 31	10, 790, 096 32	11, 722, 282 97	1, 369, 009 47
	1855	6, 350, 875 88	997, 007 26	13, 327, 095 11	14, 648, 074 07	1, 542, 255 40
	1856	6, 452, 256 35	3, 642, 615 39	14, 074, 834 64	16, 963, 160 51	1, 344, 027 70
	1857	7, 611, 547 27	999, 177 65	12, 651, 694 61	19, 159, 150 87	1, 423, 770 85
	1858	7, 116, 339 04	1, 396, 508 72	14, 053, 264 64	25, 679, 121 63	1, 221, 163 14
	1859	5, 913, 281 50	981, 946 87	14, 690, 927 90	23, 154, 720 53	161, 190 66
	1860	6, 077, 008 95	1, 146, 143 79	11, 514, 649 83	16, 472, 202 72	1, 100, 802 33
	1861	6, 074, 141 83	1, 147, 786 91	12, 387, 156 52	23, 001, 530 67	1, 034, 599 73
	1862	5, 939, 009 29	1, 339, 710 35	42, 674, 569 69	394, 368, 407 36	879, 583 23
	1863	6, 350, 618 78	1, 231, 413 06	63, 211, 105 27	799, 298, 600 83	3, 140, 194 44
	1864	8, 059, 177 23	1, 290, 691 92	85, 733, 292 77	690, 791, 842 97	4, 979, 633 17

* The first revolutionary pensions. † Purchase of Florida.

‡ Includes seven millions Mexican indemnity. The years 1849 to 1852 also embrace large sums paid Mexico

TREASURY DEPARTMENT, *Register's Office, December* 1, 1864.

under the several heads of Civil List, Foreign Intercourse, Navy Department, War Department, with the interest and principal of the public debt.

ssued; all previous years are from the account of warrants paid.]

Indians.	Miscellaneous.	Total of ordinary expenditures.	Interest on public debt.	Principal of public debt.	Total debts and loans.	Total expenditures.
$27,000 00	$311,533 83	$1,919,589 52	$2,349,437 44	$2,938,512 06	$5,287,949 50	$7,207,539 02
13,618 85	194,572 32	1,877,903 77	3,201,628 23	4,063,037 76	7,267,665 99	9,141,569 67
27,282 83	24,709 46	1,710,070 26	2,772,242 12	3,047,263 18	5,819,505 29	7,529,575 55
13,042 46	118,248 30	3,590,546 65	3,490,293 52	2,311,285 57	5,801,578 09	9,392,124 74
23,475 69	93,718 50	4,350,658 04	3,189,151 16	2,835,239 43	6,024,411 61	10,435,069 65
113,553 08	150,476 14	2,531,930 40	3,195,054 53	2,640,791 91	5,835,846 44	8,367,776 84
62,396 38	103,889 82	2,833,599 96	3,300,043 06	2,492,378 76	5,792,421 82	8,626,012 78
16,470 00	149,004 15	4,623,223 54	3,053,281 28	937,012 86	3,990,294 14	8,613,517 68
20,302 19	175,111 81	6,480,166 72	3,185,287 60	1,410,589 18	4,596,876 78	11,077,043 50
31 22	193,636 59	7,411,369 77	3,374,704 72	1,203,665 23	4,578,369 95	11,989,739 92
9,000 00	269,803 41	4,981,669 90	4,412,912 93	2,878,794 11	7,291,707 04	12,273,376 94
94,000 00	315,022 36	3,737,079 91	4,125,038 95	5,413,965 81	9,539,004 76	13,276,084 67
60,000 00	205,217 87	4,002,824 44	3,848,828 00	4,307,331 43	7,256,159 43	11,258,983 67
116,530 00	379,538 25	4,452,838 91	4,266,582 85	3,905,204 90	8,171,787 45	12,624,646 36
196,530 00	384,730 19	3,737,079 91	4,148,988 82	3,220,890 97	7,369,889 79	13,737,124 41
234,200 00	445,485 18	6,089,209 36	3,723,407 88	5,266,476 73	8,989,884 61	15,070,093 97
205,425 00	434,540 52	4,984,572 89	3,303,578 48	2,938,141 62	6,207,720 10	11,292,292 99
213,575 00	427,134 98	6,514,338 85	3,428,152 87	6,832,092 48	10,260,245 35	16,764,584 20
337,503 84	337,032 62	7,414,672 14	2,866,074 90	3,586,479 26	6,452,554 16	13,867,226 30
177,625 00	315,783 47	5,311,082 28	2,845,427 57	5,163,476 93	8,008,904 46	13,319,986 74
151,875 00	457,919 66	5,592,604 86	2,465,733 16	5,543,470 89	8,009,204 05	13,601,808 91
277,845 00	509,113 37	17,829,498 70	2,451,272 57	1,998,349 88	4,449,622 45	22,279,121 15
167,358 28	738,949 15	28,082,396 92	3,599,455 22	7,505,658 22	11,108,123 44	39,190,520 36
167,394 86	1,103,425 50	30,127,686 38	4,593,239 04	3,307,304 90	7,900,543 94	38,028,230 32
530,750 00	1,755,731 27	26,953,571 00	5,754,503 63	6,874,353 73	12,628,922 25	39,582,493 35
274,512 16	1,416,995 00	23,373,432 58	7,213,258 63	17,657,804 24	24,871,062 93	48,244,495 51
319,463 71	2,242,284 63	15,454,699 92	6,389,209 81	19,041,836 31	25,423,036 12	40,877,646 04
505,704 27	2,305,849 82	13,808,672 78	6,016,418 74	15,579,754 68	21,596,201 62	35,101,875 40
463,181 29	1,640,917 06	16,300,203 44	5,105,538 11	2,540,388 18	7,703,926 29	24,004,129 73
315,750 01	1,090,341 85	13,134,530 57	5,126,097 20	3,502,397 68	8,628,494 88	21,763,024 85
477,005 44	903,718 15	10,723,479 07	5,087,274 01	3,279,821 61	8,367,093 62	19,090,572 69
575,097 41	614,985 15	9,827,643 54	5,172,578 24	2,676,379 88	7,848,949 12	17,676,592 63
389,731 82	671,063 78	9,784,154 55	4,922,624 66	607,331 81	5,530,016 41	15,314,171 00
423,987 90	678,942 74	15,330,144 71	4,996,562 08	11,571,831 68	16,568,393 76	31,898,538 47
724,106 44	1,046,131 40	11,490,459 94	4,366,769 08	7,728,575 70	12,095,344 78	23,585,804 72
743,447 83	1,110,713 23	13,062,316 27	3,973,489 54	7,067,601 65	11,041,089 19	24,103,398 46
769,634 88	826,123 67	12,633,095 63	3,486,071 51	6,517,536 88	10,003,668 39	22,636,764 04
705,084 24	1,219,368 40	13,296,041 45	3,098,800 50	9,064,637 48	12,163,438 07	25,459,479 52
576,314 74	1,595,679 66	12,660,400 62	2,542,843 23	9,841,034 53	12,383,877 78	25,044,358 40
622,262 47	1,363,624 13	15,229,553 53	1,913,533 11	9,442,214 82	11,355,748 93	24,585,302 46
926,167 98	1,393,336 11	13,864,067 90	1,383,552 95	14,790,795 27	16,174,348 22	30,038,416 12
1,352,323 40	2,451,392 64	16,516,388 77	772,561 59	17,067,747 79	17,840,309 29	34,356,698 06
1,801,977 08	3,198,091 77	22,713,755 11	303,736 87	1,229,746 51	1,533,483 38	24,247,238 49
1,001,625 07	2,082,565 00	18,425,417 25	202,153 98	5,974,412 21	6,176,566 19	24,601,982 44
1,637,652 89	1,549,396 74	17,514,950 28	57,863 08	328 20	58,191 28	17,573,141 56
4,993,169 11	2,749,721 60	30,868,164 04	*63,389 85	*3,140 32	66,590 17	30,934,664 21
4,299,594 68	2,932,438 93	37,243,214 24	.....	21,822 91	21,822 91	37,265,037 15
5,313,245 81	3,256,868 18	32,849,718 08	14,997 54	5,590,722 73	5,605,720 27	39,455,438 35
2,218,867 18	2,621,340 20	26,496,948 73	399,834 24	13,718,153 19	11,117,987 43	37,614,936 15
2,271,857 10	2,575,351 59	24,139,920 11	174,635 77	3,911,977 93	4,086,613 70	28,226,553 81
2,273,637 44	3,505,999 69	26,196,840 29	388,063 43	5,312,636 28	5,700,689 74	31,797,530 03
1,151,430 54	3,307,291 55	24,361,338 59	778,559 08	7,796,989 83	8,575,548 91	32,936,887 50
382,404 47	1,573,734 48	11,256,508 60	528,584 57	333,011 98	861,596 55	12,118,105 15
1,282,271 00	2,554,146 05	20,650,108 01	1,874,863 66	11,117,039 18	12,991,902 84	33,642,010 85
1,467,774 95	2,839,470 97	21,895,369 61	1,066,985 04	7,528,054 06	8,595,039 10	30,490,408 71
1,080,047 80	3,760,758 42	26,418,459 59	843,228 77	370,594 54	1,213,823 31	27,632,282 90
1,496,008 69	3,910,190 81	53,801,569 37	1,117,830 22	5,601,452 15	6,719,282 37	60,520,851 74
1,103,251 78	2,554,455 37	45,227,454 77	2,391,652 17	13,036,036 25	15,427,688 42	60,655,143 19
594,263 25	3,111,140 61	30,933,542 61	3,554,419 40	12,898,460 73	16,452,880 13	56,386,422 74
1,663,591 47	7,025,450 16	37,165,990 09	3,884,406 95	3,554,321 22	7,438,728 17	44,604,718 26
2,820,891 77	8,146,577 33	44,019,949 48	3,711,407 49	714,947 43	4,426,354 83	48,446,304 31
3,043,576 04	9,867,926 64	40,389,954 56	4,002,014 13	2,339,610 14	6,322,654 27	46,712,608 83
3,900,537 87	13,246,235 02	44,078,156 35	3,666,905 24	6,832,000 15	10,498,905 39	54,577,061 74
1,413,995 08	13,461,450 13	51,142,158 42	3,074,078 33	21,256,902 31	24,335,980 66	75,478,119 08
2,703,347 71	16,738,442 29	56,312,697 72	2,315,906 25	7,536,681 99	9,852,678 24	66,164,775 96
2,596,465 92	15,260,475 94	64,533,836 45	1,954,753 34	10,437,772 78	12,392,505 12	77,726,341 57
4,241,028 69	18,946,189 91	65,032,539 76	1,594,845 44	4,647,182 17	6,242,027 61	71,274,587 37
4,976,871 34	17,847,851 19	72,291,119 70	1,652,774 23	8,118,292 81	9,771,067 04	82,062,186 74
4,551,566 58	16,873,771 68	66,327,405 72	2,637,664 39	14,713,572 81	17,351,237 20	83,678,643 92
2,991,121 54	29,708,183 43	60,010,112 58	3,144,629 94	13,900,392 13	17,045,013 07	77,055,125 65
2,865,481 17	16,026,574 79	62,537,171 62	4,034,157 30	18,815,984 16	22,850,141 46	85,387,313 08
2,223,402 27	14,129,771 52	461,554,453 71	13,190,324 45	96,096,922 09	109,287,246 54	570,841,700 25
1,076,326 35	15,671,890 24	689,980,148 97	24,729,846 61	181,086,635 07	205,816,481 68	895,796,630 65
2,538,297 80	18,155,730 31	811,543,666 17	53,685,421 65	430,197,114 03	483,882,535 72	1,295,426,144 65

S. B. COLBY, *Register.*

* Actual payments on the public debt, but not carried into the totals because of repayments to the treasury.

No. 5.—*Statement exhibiting the gross value of the exports and imports from the beginning of the government to June 30, 1864.*

Year ending—	EXPORTS.			Imports—total.	Excess of exports.	Excess of imports.
	Domestic produce.	Foreign merchandise.	Total.			
1790	$19, 566, 000	$539, 156	$20, 205, 156	$23, 000, 000	.....	$2, 794, 844
1791	18, 500, 000	512, 041	19, 012, 041	29, 200, 000	.....	10, 187, 959
1792	19, 000, 000	1, 753, 098	20, 753, 098	31, 500, 000	.....	10, 746, 902
1793	24, 000, 000	2, 109, 572	26, 109, 572	31, 100, 000	.....	4, 990, 428
1794	26, 500, 000	6, 526 233	33, 026, 233	34, 600, 000	.....	1, 573, 767
1795	39, 500, 000	8, 489, 473	47, 989, 472	69, 756, 268	.....	21, 766, 796
1796	40, 764, 097	26, 300, 000	67, 064, 097	81, 436, 164	.....	14, 372, 067
1797	29, 850, 206	27, 000, 000	56, 850, 206	75, 379, 406	.....	18, 529, 200
1798	28, 527, 097	33, 000, 000	61, 527, 097	68, 551, 700	.....	7, 024, 603
1799	33, 142, 522	45, 523, 000	78, 665, 522	79, 069, 148	.....	403, 626
1800	31, 840, 903	39, 130, 877	70, 971, 780	91, 252, 708	.....	20, 280, 988
1801	47, 473, 204	46, 642, 721	94, 115, 925	111, 363, 511	.....	17, 247, 586
1802	36, 708, 189	35, 774, 971	72, 483, 160	76, 333, 333	.....	3, 850, 173
1803	42, 205, 961	13, 594, 072	55, 800, 033	64, 666, 666	.....	8, 866, 633
1804	41, 467, 477	36, 231, 597	77, 699, 074	85, 000, 000	.....	7, 300, 926
1805	42, 387, 002	53, 179, 019	95, 566, 021	120, 600, 000	.....	25 033, 979
1806	41, 253, 727	60, 283, 236	101, 536, 963	129, 410, 000	.....	17, 873, 037
1807	48, 699, 592	59, 643, 758	108, 343, 350	138, 500, 000	.....	30, 156, 650
1808	9, 433, 549	12, 697, 414	22, 430, 963	56, 980, 000	.....	34, 550, 040
1809	31, 405, 702	20, 797, 531	52, 203, 233	59, 400, 000	.....	7, 196, 767
1810	42, 366, 675	21, 291, 295	63, 657, 970	85, 400, 000	.....	18, 742, 030
1811	45, 294, 043	16, 022, 790	61, 316, 833	53, 400, 000	$7, 916, 833	.....
1812	30, 032, 109	8, 495, 127	38, 527, 236	77, 030, 000	.....	38, 502, 764
1813	25, 008, 132	2, 847, 865	27, 855, 927	22, 005, 000	5, 850, 927	.....
1814	6, 782, 272	145, 169	6, 927, 441	12, 965, 000	.....	6, 041, 559
1815	45, 974, 403	6, 583, 350	52, 557, 753	113, 041, 274	.....	60, 483, 521
1816	64, 781, 896	17, 138, 156	81, 920, 452	147, 103, 000	.....	65, 182, 548
1817	68, 313, 500	19, 358, 069	87, 671, 560	99, 250, 000	.....	11, 578, 440
1818	73, 854, 437	19, 426, 696	93, 281, 133	121, 750, 000	.....	28, 468, 867
1819	50, 976, 838	19, 165, 623	70, 142, 521	87, 125, 000	.....	16, 982, 479
1820	51, 683, 049	18, 048, 029	69, 691, 069	74, 450, 000	.....	4, 758, 331
1821	43, 671, 804	21, 302, 488	64, 974, 282	62, 565, 734	2, 068, 653	.....
1822	49, 874, 079	22, 285, 202	72, 160, 281	83, 241, 541	.....	11, 081, 260
1823	47, 155, 408	27, 543, 622	74, 699, 030	77, 579, 267	.....	2, 880, 237
1824	50, 649, 500	25, 337, 157	75, 986, 657	89, 549, 007	.....	13, 562, 350
1825	66, 944, 745	32, 590, 643	99, 535, 388	96, 340, 075	3, 195, 313	.....
1826	53, 055, 710	24, 530, 612	77, 595, 322	84, 974, 477	.....	7, 379, 155
1827	58, 921, 691	23, 403, 136	82, 324, 727	79, 484, 068	2, 840, 659	.....
1828	59, 669, 669	21, 595, 017	72, 264, 686	88, 509, 824	.....	16, 245, 138
1829	55, 700, 193	16, 658, 478	72, 358, 671	74, 492, 527	.....	2, 133, 856
1830	59, 462, 029	14, 387, 479	73, 849, 508	70, 876, 920	2, 972, 588	.....
1831	61, 277, 057	20, 053, 526	81, 330, 583	103, 191, 124	.....	21, 860, 541
1832	63, 137, 470	24, 039, 473	87, 176, 943	101, 029, 266	.....	13, 852, 323
1833	70, 317, 698	19, 824, 735	90, 140, 443	108, 118, 311	.....	17, 977, 868
1834	81, 024, 162	23, 312, 811	104, 336, 973	126, 521, 332	.....	22, 184, 359
1835	101, 189, 082	20, 504, 495	121, 693, 577	149, 895, 742	.....	28, 202, 165
1836	106, 916, 680	21, 746, 360	128, 663, 040	189, 980, 035	.....	61, 316, 995
1837	95, 564, 414	21, 851, 962	117, 419, 376	140, 989, 217	.....	23, 569, 841
1838	96, 033, 821	12, 452, 795	108, 486, 616	113, 717, 404	.....	5, 230, 788
1839	103, 533, 891	17, 494, 525	121, 028, 416	162, 094, 132	.....	41, 065, 716
1840	113, 895, 634	18, 190, 312	132, 085, 936	107, 141, 519	24, 944, 417	.....
1841	106, 382, 722	15, 469, 081	121, 851, 803	127, 946, 177	.....	6, 094, 374
1842	92, 969, 926	11, 721, 538	104, 691, 534	100, 162, 087	4, 529, 447	.....
9 mos., to June 30, 1843	77, 793, 783	6, 552, 697	84, 346, 480	64, 753, 799	19, 592, 681	.....
Year end'g June 30, '44	99, 710, 179	11, 484, 867	111, 200, 046	108, 435, 035	2, 765, 011	.....
1845	99, 298, 776	15, 346, 830	114, 646, 606	117, 254, 564	.....	2, 607, 958
1846	102, 841, 893	11, 346, 623	113, 488, 516	121, 691, 797	.....	8, 203, 281
1847	150, 657, 464	8, 011, 158	158, 668, 622	146, 545, 638	12, 102, 984	.....
1848	132, 904, 121	21, 128, 010	154, 032, 131	154, 998, 928	.....	966, 797
1849	132, 666, 955	13, 088, 865	145, 755, 820	147, 857, 439	.....	2, 101, 619
1850	136, 946, 912	14, 951, 808	151, 898, 720	178, 138, 318	.....	26, 239, 598
1851	196, 689, 718	21, 698, 203	218, 388, 011	216, 224, 932	2, 163, 079	.....
1852	192, 368, 984	17, 289, 382	209, 658, 366	212, 945, 442	.....	3, 287, 076
1853	213, 417, 697	17, 573, 460	230, 976, 157	267, 976, 647	.....	37, 002, 490
1854	253, 390, 873	24, 850, 194	278, 241, 064	304, 562, 381	.....	26, 321, 317
1855	246, 708, 553	28, 448, 293	275, 156, 846	261, 468, 520	13, 688, 326	.....
1856	310, 586, 330	16, 378, 578	326, 964, 908	314, 639, 942	12, 324, 966	.....
1857	338, 985, 065	23, 975, 617	362, 960, 682	360, 890, 141	2, 070, 541	.....
1858	293, 758, 379	30, 886, 142	324, 644, 421	282, 613, 150	42, 031, 271	.....
1859	335, 894, 385	20, 895, 077	356, 789, 462	338, 768, 130	18, 021, 332	.....
1860	373, 189, 274	26, 933, 022	400, 122, 296	362, 163, 541	37, 959, 735	.....
1861	389, 711, 391	21, 145, 427	410, 856, 818	352, 075, 575	58, 781, 283	.....
1862	213, 069, 519	16, 869, 466	229, 938, 975	205, 819, 821	24, 119, 152	.....
1863	324, 092, 877	25, 959, 248	350, 052, 125	252, 187, 587	97, 864, 538	.....
1864	320, 252, 171	20, 373, 409	340, 665, 580	328, 514, 559	12, 151, 521	.....

TREASURY DEPARTMENT, *December* 1, 1864.

S. B. COLBY, *Register.*

No. 6.

Statement exhibiting the exports and imports of coin and bullion from 1821 *to* 1864, *inclusive, and also the excess of imports and exports during the same years.*

Fiscal year ending—	Imported.	EXPORTED.			Excess of imports.	Excess of exports.
		American.	Foreign.	Total.		
September 30.....1821	$8,064,890	.....	$10,478,059	$10,478,059	.....	$2,413,169
1822	3,369,846	.....	10,810,180	10,810,180	.....	7,440,334
1823	5,097,896	.....	6,372,897	6,372,897	.....	1,275,091
1824	8,378,970	.....	7,014,552	7,014,552	$1,366,148	.....
1825	6,159,765	.....	8,797,055	8,797,055	.....	2,646,290
1826	6,880,966	$605,855	4,098,678	4,704,533	2,176,433	.....
1827	8,151,130	1,043,574	6,971,306	8,014,880	136,250	.....
1828	7,489,741	633,037	7,550,439	8,243,476	.....	753,735
1829	7,403,612	612,886	4,311,134	4,924,020	2,479,592	.....
1830	8,155,964	937,151	1,241,622	2,178,773	5,977,191	.....
1831	7,305,945	2,058,474	6,956,457	9,014,931	.....	1,708,986
1832	5,907,594	1,410,941	4,245,399	5,656,340	251,164	.....
1833	7,070,368	366,842	2,244,859	2,611,701	4,458,667	.....
1834	17,911,632	400,530	1,676,258	2,076,758	15,834,874	.....
1835	13,131,447	723,631	5,748,174	6,477,775	6,653,672	.....
1836	13,400,881	345,738	3,578,598	4,324,336	9,076,545	.....
1837	10,516,414	1,283,519	4,692,730	5,976,249	4,540,165	.....
1838	17,747,116	472,941	3,035,105	3,508,046	14,239,070	.....
1839	5,595,176	1,908,338	6,868,385	8,776,743	.....	3,181,567
1840	8,882,813	2,225,073	6,181,941	8,417,014	465,799	.....
1841	4,988,633	2,746,486	7,287,846	10,034,332	.....	5,045,699
1842	4,087,016	1,170,754	3,612,785	4,813,539	.....	726,523
9 months to June 30, 1843	22,330,559	107,429	1,413,362	1,520,791	20,869,768	.....
Year ending June 30, 1844	5,830,429	183,405	5,270,809	5,454,214	376,215	.....
1845	4,070,242	844,446	7,762,049	8,606,495	.....	4,536,253
1846	3,777,732	423,851	3,481,417	3,905,268	.....	127,536
1847	24,121,289	62,620	1,814,404	1,907,024	22,214,265	.....
1848	6,360,284	2,700,412	13,141,204	15,841,616	.....	9,481,392
1849	6,651,240	956,874	4,417,774	5,404,648	1,246,592	.....
1850	4,628,792	2,046,679	5,476,315	7,522,994	.....	2,894,202
1851	5,453,592	18,069,580	11,403,172	29,472,752	.....	24,019,160
1852	5,505,044	37,467,837	5,236,298	42,674,135	.....	37,169,091
1853	4,201,382	23,548,525	3,938,340	27,486,875	.....	23,285,493
1854	6,939,342	38,062,570	3,218,934	41,281,504	.....	34,342,162
1855	3,659,812	53,957,418	2,289,925	56,247,343	.....	52,587,531
1856	4,207,632	44,148,279	1,597,296	45,745,485	.....	41,537,853
1857	12,401,799	60,078,352	9,055,570	69,136,922	.....	56,675,123
1858	19,274,496	42,407,246	10,235,901	52,643,147	.....	33,368,651
1859	7,434,789	57,502,305	6,385,106	63,887,411	.....	56,452,622
1860	8,550,135	56,946,851	9,509,388	66,546,239	.....	57,996,104
1861	46,339,611	23,798,870	5,991,310	29,791,180	16,548,431	.....
1862	16,415,052	31,044,651	5,842,989	36,887,640	.....	20,472,588
1863	9,584,105	74,201,433	8,163,049	82,364,482	.....	72,780,377
1864	13,155,706	100,219,065	4,906,685	105,125,750	.....	91,970,044

NOTE.—The exports of American gold for the years 1863 and 1864 have been corrected from the returns first published to embrace a large unusual shipment from California to England on account of New York and other eastern holders, taking that direction for safety of transit. The sums were $18,207,879 in 1862-'63, and $35,735,265 in 1863-'64.

S. B. COLBY, *Register.*

TREASURY DEPARTMENT, *December* 1, 1864.

No. 7.

Statement of foreign merchandise imported, exported, and consumed, annually from 1821 *to* 1864; *with the population and rate of consumption per capita, calculated for each year.*

Years ending—	Value of foreign merchandise.			Population.	Consumption per capita.
	Imported.	Exported.	Consumed and in store.		
September 30, 1821	$62,585,724	$21,302,488	$41,283,236	9,960,974	$4 14
1822	83,241,541	22,286,202	60,955,339	10,283,757	5 92
1823	77,579,267	27,543,622	50,035,645	10,606,540	4 71
1824	80,549,007	25,337,157	55,211,850	10,929,323	5 05
1825	96,340,075	32,590,643	63,749,432	11,252,106	5 66
1826	84,974,477	24,530,612	60,434,865	11,574,889	5 22
1827	79,484,068	23,403,136	56,080,932	11,897,672	4 71
1828	88,509,824	21,595,017	66,914,807	12,220,455	5 47
1829	74,492,527	16,658,478	57,834,049	12,243,238	4 61
1830	70,876,920	14,387,479	56,489,441	12,866,020	4 31
1831	103,191,124	20,033,526	83,157,598	13,286,364	6 25
1832	101,029,266	24,039,473	76,989,793	13,706,707	5 61
1833	108,118,311	19,822,735	88,295,576	14,127,050	6 25
1834	126,521,332	23,312,811	103,208,521	14,547,393	7 09
1835	149,895,742	20,504,495	129,391,247	14,967,736	8 64
1836	189,980,035	21,746,360	168,233,675	15,388,079	10 93
1837	140,989,217	21,854,962	119,134,255	15,808,422	7 53
1838	113,717,404	12,452,795	101,264,609	16,228,765	6 23
1839	162,092,132	17,494,525	144,597,607	16,649,108	8 68
1840	107,141,519	18,190,312	88,951,207	17,069,453	5 21
1841	127,946,177	15,469,081	112,477,096	17,612,507	6 38
1842	100,162,087	11,721,538	88,440,549	18,155,561	4 87
Nine months to June 30.... 1843	64,753,799	6,552,697	58,201,102	18,698,615	4 15
Year ending June 30.... 1844	108,435,035	11,484,867	96,950,168	19,241,670	5 03
1845	117,254,564	15,346,830	101,907,734	19,784,725	5 15
1846	121,691,797	11,346,623	110,345,174	20,327,780	5 42
1847	146,545,638	8,011,158	138,534,480	20,780,835	6 60
1848	154,998,928	21,128,010	133,870,918	21,413,890	6 25
1849	147,857,439	13,088,065	134,768,574	21,956,945	6 13
1850	178,138,318	14,951,808	163,186,510	23,191,876	7 03
1851	216,224,932	21,698,293	194,526,639	23,887,632	8 14
1852	212,945,442	17,289,382	195,656,060	24,604,261	7 95
1853	267,978,647	17,558,460	250,420,187	25,342,388	9 88
1854	304,562,381	24,850,194	279,712,187	26,102,659	10 71
1855	261,468,520	28,448,293	233,020,227	26,885,738	8 67
1856	314,639,942	16,378,578	298,261,364	27,692,310	10 77
1857	360,890,141	23,975,617	336,914,524	28,523,079	11 81
1858	282,613,150	30,886,142	251,727,008	29,378,771	8 57
1859	338,768,130	20,895,077	317,873,053	30,260,134	10 50
1860	362,163,941	26,933,022	335,230,919	31,429,891	10 66
1861	356,150,153	21,145,427	335,004,728	32,373,388	10 34
1862	205,819,823	16,869,466	188,950,182	*23,500,000	8 04
1863	252,187,587	25,959,248	226,228,339	*24,400,000	9 60
1864	330,109,840	20,373,409	309,736,431	*27,000,000	11 45

* Estimated proportion of the population receiving imports for consumption.

S. B. COLBY, *Register.*

TREASURY DEPARTMENT, *December* 1, 1864.

No. 8.

Statement of the value of domestic produce, exclusive of specie, and of foreign merchandise, exclusive of specie, exported annually for fiscal years from 1821 *to* 1864.

Year ending—	Value of exports, exclusive of specie.						Specie and bullion exported.
	Breadstuffs and provisions.	Total of domestic produce.	Foreign merchandise.			Aggregate value of exports.	
			Free of duty.	Dutiable.	Total.		
September 30, 1821..	$12, 341, 901	$43, 671, 894	$286, 788	$10, 537, 731	$10, 824, 519	$54, 496, 413	$10, 477, 969
1822..	13, 886, 856	49, 874. 079	374, 716	11, 101, 306	11, 476, 022	61, 350, 101	10, 810, 180
1823..	13, 767, 847	47, 155, 408	1, 3 3, 762	19, 846, 873	21, 170, 635	68, 326, 043	6, 372, 987
1824..	15, 059, 484	50, 649, 500	1, 100, 530	17, 222, 075	18, 322, 605	68, 972, 105	7, 014, 552
1825..	11, 634, 449	66, 944, 745	1, 098, 181	22, 704, 803	23, 802, 984	90, 747, 729	8, 787, 659
1826..	11, 303, 496	52, 449, 855	1, 036, 430	19, 494, 504	20, 440, 934	72, 890, 789	4, 704, 533
1827..	11, 685, 556	57, 878, 117	813, 844	15, 617, 986	16, 431, 830	74, 309, 947	8, 014, 889
1828..	11, 461, 144	49, 976, 632	877, 239	13, 167, 339	14, 044, 578	64, 021, 210	8, 243, 476
1829..	13, 131, 858	55, 087, 307	919, 943	11, 427, 491	12, 347, 344	67, 434, 651	4, 924, 020
1830..	12, 075, 430	58, 524, 878	1, 078, 695	12, 067, 162	13, 145, 857	71, 670, 735	2, 173, 773
1831..	17, 538, 227	59, 218, 583	642, 586	12, 434, 483	13, 077, 069	72, 295, 652	9, 014, 931
1832..	12, 424, 703	61, 726, 529	1, 345, 217	18, 448, 857	19, 794, 074	81, 520, 603	5, 656, 340
1833..	14, 239, 128	69, 950, 856	5, 165, 907	12, 411, 969	17, 577, 876	87, 528, 732	2, 611, 701
1834..	11, 524, 024	80, 623, 662	10, 757, 033	10, 879, 520	21, 636, 553	102, 260, 215	2, 076, 758
1835..	12, 009, 399	100, 459, 481	7, 012, 666	7, 743, 655	14, 756, 321	115, 215, 802	6, 477, 775
1836..	10, 614, 130	106, 570, 942	8, 534, 895	9, 232, 867	17, 767, 762	124, 338, 704	4, 324, 336
1837..	9, 588, 359	94, 280, 895	7, 756, 189	9, 406, 043	17, 162, 232	111, 443, 127	5, 976, 249
1838..	9, 636, 650	95, 560, 880	4, 951, 306	4, 466, 384	9, 417, 690	104, 978, 570	3, 508, 046
1839..	14, 147, 779	101, 625, 533	5, 618, 442	5, 007, 698	10, 626, 140	112, 251, 673	8, 776, 743
1840..	19, 667, 535	111, 660, 561	6, 202, 562	5, 805, 809	12, 008, 371	123, 668, 932	8, 417, 014
1841..	17, 196, 102	103, 636, 236	3, 953, 654	4, 228, 181	8, 181, 235	111, 817, 471	10, 034, 332
1842..	16, 902, 876	91, 798, 242	3, 194, 299	4, 884, 464	8, 078, 753	99, 876, 995	4, 813, 539
Nine months to June 30, 1843..	11, 204, 123	77, 686, 354	1, 682, 763	3, 456, 572	5, 139, 335	82, 825, 689	1, 520, 791
Year ending June 30, 1844..	17, 970, 135	99, 531, 774	2, 251, 550	3, 962, 508	6, 214, 058	105, 745, 832	5, 454, 214
1845..	16, 743, 421	98, 455, 330	2, 413, 050	5, 171, 731	7, 584, 781	106, 040, 111	8, 606, 495
1846..	27, 701, 921	101, 718, 042	2, 342, 629	5, 522, 577	7, 865, 206	109, 583, 248	3, 905, 268
1847..	68, 701, 121	150, 574, 844	1, 812, 847	4, 353, 907	6, 166, 754	156, 741, 598	1, 907, 024
1848..	37, 472, 751	130, 203, 709	1 440, 3.7	6, 576, 499	7, 986, 806	138, 190, 515	15, 841, 616
1849..	38, 155, 507	131, 510, 081	2, 015, 815	6, 625, 276	8, 641, 091	140, 351, 172	5, 404, 648
1850..	36, 051, 373	134, 900, 233	2, 099, 132	7, 376, 361	9, 475, 493	144, 375, 726	7, 522, 994
1851..	21, 948, 651	178, 620, 138	1, 742, 154	8, 532, 967	10, 295, 121	188, 915, 259	29, 472, 252
1852..	25, 857, 027	154, 931, 147	2, 538, 159	9, 514, 925	12, 053, 084	166, 984, 231	42, 674, 135
1853..	32, 985, 332	189, 869, 162	2, 449, 539	11, 170, 571	13, 620, 130	203, 489, 282	27, 486, 875
1854..	63, 941, 333	215, 156, 304	3, 210, 907	18, 437, 397	21, 648, 304	236, 804, 608	41, 436, 456
1855..	38, 895, 348	192, 751, 135	6, 516, 550	19, 641, 818	26, 158, 368	218, 909, 503	56, 247, 343
1856..	77, 187, 301	266, 438, 051	3, 144, 604	11, 636, 768	14, 781, 372	281, 219, 423	45, 745, 485
1857..	74, 667, 852	278, 906, 713	4, 325, 400	10, 591, 647	14, 917, 047	293, 823, 760	69, 136, 922
1858..	50, 683, 285	251, 351, 033	5, 751, 850	14, 908, 391	20, 660, 241	272, 011, 274	52, 633, 147
1859..	38, 305, 991	278, 392, 080	5, 429, 921	9, 080, 050	14, 509, 971	292, 902, 051	63, 887, 411
1860..	45, 271, 850	316, 242, 423	5, 350, 441	11, 983, 193	17, 333, 634	333, 576, 057	66, 516, 239
1861..	94, 866, 735	339, 930, 311	3, 700, 329	11, 344, 888	15, 054, 217	374, 974, 528	29, 791, 080
1862..	119, 338, 785	182, 024, 868	2, 879, 565	8, 147, 771	11, 027, 356	193, 052, 204	36, 887, 640
1863..	139, 100, 382	249, 856, 649	5, 215, 169	13, 581, 031	17, 796, 200	267, 652, 849	*82, 364, 482
1864..	110, 689, 317	220, 073, 106	3, 009, 287	12, 457, 437	15, 466, 724	235, 539, 830	105, 125, 750

These totals of specie include the unusual exports from California, explained in a previous note.

S. B COLBY, *Register.*

TREASURY DEPARTMENT, *December* 1, 1864.

Export of staple products, breadstuffs, provisions, oils, and animal products, for five years.

Articles.	1859–'60.		1860–'61.		1861–'62.		1862–'63.		1863–'64.	
Wheat ..... bushels..	4,155,153	$1,076,704	31,228,057	$38,313,624	37,289,572	$42,573,295	36,160,414	$46,754,195	23,680,051	$21,430,270
Wheat flour ..... barrels..	2,611,596	15,448,507	4,323,756	24,645,849	4,882,033	27,534,677	4,390,055	28,366,069	3,543,263	25,458,989
Indian corn ..... bushels..	3,314,155	2,209,808	10,678,214	6,890,865	18,904,909	10,387,383	16,119,476	10,592,704	4,075,889	3,321,526
Cornmeal ..... barrels..	233,709	912,075	203,313	692,003	253,570	778,344	257,948	1,013,272	262,347	1,349,688
Rye and other grains	.....	1,058,304	.....	1,124,556	.....	2,364,625	.....	1,833,757	.....	918,501
Rye and other meals ..... barrels..	11,432	48,172	14,143	55,761	14,463	54,488	8,684	38,067	7,199	37,991
Bread or biscuit ..... barrels..	141,872	478,740	129,314	429,708	148,577	490,942	156,667	582,268	154,895	656,408
Rice ..... barrels..	119,918	2,567,399	108,781	1,382,178	10,554	156,890	4,237	83,404	5,399	83,244
Beef ..... barrels..	194,294	2,674,354	128,201	1,675,773	136,022	2,017,077	146,268	2,185,921	178,698	3,019,733
Butter ..... pounds..	7,640,914	1,144,321	15,531,381	2,355,985	26,691,247	4,164,344	35,172,415	6,733,743	20,795,195	6,121,365
Cheese ..... pounds..	15,515,799	1,565,630	32,361,438	3,321,631	34,052,678	2,715,892	42,045,054	4,216,894	47,733,337	5,634,515
Pork ..... barrels..	204,763	3,132,303	156,487	2,609,816	309,109	3,980,153	307,252	4,334,775	313,235	5,820,648
Hams and bacon ..... pounds..	25,844,610	2,273,768	50,364,267	4,848,339	141,212,586	10,230,572	218,243,609	18,658,280	110,750,485	12,303,729
Lard ..... pounds..	40,289,519	4,545,831	47,968,911	4,729,297	118,573,307	10,004,521	155,356,596	15,755,570	85,385,387	11,033,933
Lard oil ..... gallons..	60,209	55,783	85,676	81,783	239,608	248,056	1,259,063	983,349	439,536	376,682
Tallow ..... pounds..	15,269,535	1,598,176	20,718,364	2,942,730	46,773,768	4,026,113	63,792,754	6,738,816	55,015,375	6,191,743
Candles ..... pounds..	5,033,335	760,558	5,025,667	826,955	6,100,029	901,330	6,898,333	1,187,864	5,576,580	1,046,406
Soaps ..... pounds..	6,852,485	494,405	7,202,130	455,648	9,986,984	636,049	9,097,664	736,524	8,029,382	770,601
Fish, pickled ..... barrels..	35,031	191,631	49,683	241,028	71,844	330,685	76,668	429,316	78,896	507,719
Fish, dry ..... pounds..	24,598,336	690,688	24,598,336	634,941	28,091,728	712,584	25,562,208	921,131	21,541,744	967,136
Oils, whale, (and sperm) ..... gallons..	2,275,608	2,326,656	2,527,925	2,692,087	3,338,793	2,243,300	3,090,305	3,052,880	1,266,291	1,735,575
Oils, coal and petroleum ..... gallons..	.....	.....	.....	.....	5,828,929	1,539,027	155,874	27,839	23,192,380	10,771,282
Spirits, distilled ..... gallons..	4,098,730	1,461,438	6,542,464	2,311,685	7,220,874	2,622,498	7,396,925	3,405,572	2,488,742	1,426,182
Tobacco, in leaf ..... hogsheads*..	173,844	15,906,547	168,469	13,784,710	116,723	12,325,356	117,213	19,752,056	114,177	22,814,630
Tobacco, manufactured, (and snuff) ..... pounds..	3,412,837	3,367,803	14,864,828	2,760,531	4,110,802	1,076,644	7,070,172	3,398,177	3,660,320	8,571,801
Cotton ..... pounds..	1,752,687,640	191,805,555	307,516,099†	34,051,483†	5,064,564	1,180,113	11,384,186	6,652,405	10,840,574	9,044,840
Coal ..... tons..	187,059	740,783	153,171	577,386	213,046	837,117	186,969	993,309	172,974	1,207,802
Clover seed ..... bushels..	116,574	596,919	200,417	1,063,141	66,064	295,255	389,554	2,185,706	73,081	501,175
Hops ..... pounds..	273,757	32,866	8,835,837	2,006,053	4,851,246	663,308	8,864,081	1,733,365	5,830,755	1,216,965
Hides	.....	1,036,260	.....	673,818	.....	518,687	.....	355,855	.....	303,811
Ice ..... tons..	49,153	183,134	44,753	172,263	48,390	182,667	46,538	169,757	47,470	277,421
Animals, living	.....	‡1,697,011	.....	640,223	.....	606,810	.....	837,189	.....	251,172

* Casks and bales converted to hogsheads, at 5 to 1.

† These are the recorded quantities and values without correction for the omission to return the actual exports for nearly three quarters at the leading southern ports. The actual total exports were not less than those of 1859–'60, and may be assumed at 1,750,000,000 pounds, value $185,000,000.

‡ Petroleum not reported. The total total export of petroleum was nearly 22,500,000 gallons; value $6,800,000, nearly.

S. B. COLBY, *Register.*

TREASURY DEPARTMENT, *December* 1, 1864.

Statement exhibiting the value of leading articles of manufacture exported during the fiscal years ending June 30, from 1847 to 1864.

Articles.	1847.	1848.	1849.	1850.	1851.	1852.	1853.	1854.	1855.
Ashes	$618,000	$466,477	$515,603	$572,870	$649,091	$507,673	$334,321	$322,728	$448,499
Beer and ale	68,114	78,071	51,320	52,521	57,975	48,052	64,677	53,503	45,069
Books	44,751	75,193	94,427	119,475	153,912	217,809	142,664	187,335	207,218
Boots and shoes	93,140	135,000	113,290	150,000	382,676	300,000	440,000	541,110	763,539
Bread and biscuit	556,266	619,096	364,318	334,123	254,286	318,899	454,020	495,340	657,783
Cables and cordage	27,054	29,911	41,636	51,357	52,054	62,903	103,216	194,076	315,257
Candles, spermaceti	191,467	186,839	159,403	260,107	195,916	143,098	112,600	77,991	136,463
tallow, adamantine and all other	404,500	420,000	420,000	420,000	329,732	401,334	422,031	564,936	699,114
Carriages, wagons and cars	75,369	89,963	95,923	95,722	199,421	172,445	184,497	244,638	290,525
Chocolate	1,653	2,207	1,941	2,260	3,255	3,267	10,230	12,257	2,771
Clothing	47,101	574,834	75,945	207,632	1,211,894	250,228	239,733	234,388	233,801
Combs and buttons	17,026	16,461	38,136	23,987	27,334	28,833	31,395	37,684	32,049
Copper and brass manufactures: chandeliers and gas fixtures	64,980	61,468	66,203	105,060	91,871	103,039	108,205	92,108	690,766
Cotton manufactures: piece goods, brown	3,345,902	4,866,559	3,955,117	3,774,407	5,571,576	6,139,391	6,926,485	4,130,149	2,967,276
piece goods, printed	290,114	353,534	469,777	606,631	1,006,561	926,404	1,086,167	1,147,786	2,613,655
twist, yarn and thread	108,132	170,633	92,555	17,405	37,260	34,718	22,594	49,315	.....
all other manufactures	335,375	327,479	415,680	335,981	625,808	571,638	733,648	423,085	336,250
Drugs, medicinal	165,793	210,581	220,894	334,789	351,585	263,852	327,073	454,789	788,114
Earthen and stone ware	4,758	8,512	10,632	15,644	23,096	18,310	53,685	34,525	32,119
Fire engines and apparatus	3,443	7,686	548	3,140	9,488	16,784	9,652	6,597	14,829
Glassware	71,155	76,007	101,419	136,682	185,436	194,634	170,561	229,476	204,679
Gold and silver manufactures	4,268	6,241	4,502	4,583	68,639	20,332	11,783	1,311,513	9,051
Gunpowder	88,397	125,263	131,297	190,352	154,257	121,580	180,048	212,700	356,051
Hats	59,536	55,493	64,967	68,671	103,768	80,453	91,261	176,404	177,914
Hemp manufactures, not cordage	5,782	6,713	5,558	11,776	8,023	13,622	16,784	79,717	36,508
House furniture	225,700	297,358	237,342	278,025	362,830	430,182	714,556	763,197	803,960
India-rubber manufactures	.....	.....	.....	.....	.....	.....	.....	.....	1,409,107
Iron, pig, bar and nails	168,817	154,036	149,358	154,210	215,652	118,624	181,998	308,127	288,437
castings	68,889	83,188	60,175	79,318	164,425	191,388	220,420	459,775	306,439
all other manufactures of iron and steel	929,778	1,022,408	886,639	1,677,792	1,875,621	1,993,807	2,097,234	3,472,467	3,158,596
Lead, and manufactures of lead and of pewter	138,675	92,017	43,394	35,479	28,170	51,185	19,604	43,352	19,531

No. 10.—*Statement exhibiting the value of leading articles of manufacture, &c.*—Continued.

Articles.	1847.	1848.	1849.	1850.	1851.	1852.	1853.	1854.	1855.
Leather, common	$150,676	$59,095	$38,478	$43,598	$76,162	$128,708	$233,708	$352,613	$288,867
morocco and other fine	29,856	16,483	9,427	9,800	13,309	18,617	6,448	17,018	36,045
Lime, cement and bricks	17,623	24,174	8,671	16,348	22,045	13,539	32,625	33,314	57,393
Lumber, boards and other	1,292,781	1,483,433	810,344	907,827	1,685,190	1,473,522	923,743	3,115,178	677,659
masts, spars and hewn timber	73,181	309,623	114,469	189,188	188,716	270,036	407,777	453,376	306,643
Marble and stone manufactures	11,220	22,466	20,282	34,510	41,449	57,240	47,628	88,327	168,546
Musical instruments	16,997	38,508	23,713	21,634	55,700	67,733	52,397	126,128	106,857
Oils, lard	225,700	297,358	237,342	278,025	362,830	430,182	714,556	763,197	82,945
linseed	6,701	11,066	7,797	13,488	18,000	14,981	15,468	28,609	49,580
petroleum and coal									
Paints and varnish	54,115	50,739	55,145	67,597	109,834	85,369	83,020	121,823	163,096
Paper and stationery	88,731	78,307	86,827	99,696	155,664	119,535	122,212	192,239	185,637
Printing presses and type	17,431	30,403	28,031	30,242	71,401	47,781	32,250	33,012	36,405
Saddlery	13,102	27,435	37,276	20,893	30,100	47,937	48,229	53,311	64,886
Soap	202,298	250,223	207,280	244,963	280,000	258,720	259,331	323,627	412,208
Spirits, alcoholic, from grain	67,781	90,957	67,129	48,314	36,084	48,737	141,173	282,919	384,144
all other	293,609	269,467	288,452	268,290	289,622	323,941	329,381	809,965	1,550,116
Spirits of turpentine	491,409	320,338	140,259	631,128	127,410	137,856	347,492	1,055,720	1,137,152
Staves, shooks and heading	850,000	1,050,000	1,000,000	1,500,000	1,750,000	1,150,000	1,500,000	1,850,000	1,922,238
Sugar, brown	25,483	8,891	24,900	23,037	29,170	24,057	33,854	220,256	286,408
refined	124,824	253,900	129,001	285,056	219,588	149,921	375,780	370,488	526,463
Tin ware	6,363	12,353	13,143	13,590	27,823	23,420	22,088	30,750	14,279
Tobacco, manufactured, (cigars and snuff included)	658,950	568,435	613,044	648,832	1,143,547	1,316,622	1,671,500	1,551,471	1,500,113
Trunks and valises	5,270	6,126	5,099	10,370	12,267	15,035	27,148	23,673	35,203
Umbrellas and parasols	2,150	2,916	800	3,395	12,260	8,340	6,183	11,658	8,441
Vinegar	9,526	13,920	14,036	11,182	16,915	12,220	20,443	16,945	17,281
Wax	161,527	134,577	121,720	118,655	122,835	91,499	113,602	87,140	69,905
Wood manufactures, not stated	1,495,924	2,042,695	1,697,828	1,948,752	2,076,395	2,193,058	2,294,122	2,837,270	3,683,420
Unenumerated articles	1,136,651	1,156,780	1,427,902	3,933,613	3,941,239	3,011,033	3,880,964	5,327,308	4,242,077
Totals	15,756,814	19,249,896	16,116,400	1,541,4222	27,317,107	25,284,123	29,255,104	36,380,397	35,999,387

Statement exhibiting the value of leading articles of manufacture, &c.—Continued.

No. 10.

Articles.	1856.	1857.	1858.	1859.	1860.	1861.	1862.	1863.	1864.
Ashes	$429,428	$696,367	$554,744	$643,861	$822,820	$651,547	$457,049	$513,704	$467,192
Beer and ale	45,086	43,732	59,532	78,226	53,573	39,480	54,696	127,676	118,451
Books	202,502	277,647	209,774	319,080	278,268	250,365	214,231	221,700	258,534
Boots and shoes	1,060,967	813,995	663,905	820,175	782,525	779,876	721,241	1,328,735	1,282,314
Bread and biscuit	497,741	563,266	472,372	512,910	478,740	423,708	490,942	582,268	656,408
Cables and cordage	367,182	286,163	212,840	320,435	246,572	255,274	199,669	408,847	540,439
Candles, spermaceti	48,449	35,121	66,012	46,278	51,829	143,907	64,481	76,946	60,323
tallow, adamantine and all other	766,588	677,398	628,599	671,750	708,699	638,048	836,849	1,110,918	786,083
Carriages, wagons and cars	370,259	476,394	777,921	655,600	816,973	472,080	519,175	764,000	743,340
Chocolate	1,476	1,932	2,304	2,444	2,593	2,157	4,288	1,686	5,307
Clothing	278,832	333,442	210,695	470,613	525,175	462,554	472,924	950,332	574,016
Combs and buttons	32,653	39,799	46,349	46,007	23,345	32,792	12,994	40,036	62,716
Copper and brass manufactures: chandeliers and gas fixtures	534,846	607,054	1,085,223	1,048,246	1,664,122	2,375,029	1,098,546	1,026,038	318,664
Cotton manufactures: piece goods, brown	4,616,264	3,715,339	1,782,025	1,518,236	1,785,595	1,377,627	508,004	322,316	244,562
piece goods, printed	1,966,845	1,785,685	2,069,194	2,320,890	3,356,449	2,215,032	587,500	630,558	166,878
twist, yarn and thread									
all other manufactures	384,200	614,153	1,800,285	4,477,096	5,792,752	4,364,379	1,850,930	1,950,997	894,776
Drugs, medicinal	1,066,294	886,969	681,278	796,008	1,115,455	1,149,433	1,490,336	1,954,446	1,551,632
Earthen and stone ware	66,696	34,256	36,783	47,261	65,086	40,524	32,108	88,153	65,808
Fire engines and apparatus	29,088	21,524	7,220	3,213	9,948	7,940	36,230	9,706	14,222
Glassware	216,459	179,900	214,608	252,316	277,948	394,731	523,906	1,000,980	796,174
Gold and silver manufactures	6,116	15,477	26,386	35,947	140,187	53,372	63,078	165,844	58,012
Gunpowder	644,974	398,244	365,173	371,603	467,772	347,103	101,803	48,208	40,601
Hats	226,682	254,208	126,525	216,704	211,602	156,956	132,727	279,038	178,602
Hemp manufactures, not cordage	26,035	34,753	89,092	18,878	27,814	39,570	31,940	122,204	89,103
House furniture	982,042	870,448	932,499	1,067,197	1,079,114	838,049	942,454	1,278,977	1,378,755
India-rubber manufactures	1,093,538	643,512	313,379	198,827	240,841	193,691	143,556	247,600	268,806
Iron, pig, bar and nails	286,980	397,313	205,931	257,662	246,154	311,321	259,852	450,971	564,962
castings	288,316	289,957	464,415	128,659	282,848	76,750	54,671	56,853	237,613
all other manufactures of iron and steel	3,585,712	4,197,687	4,059,528	5,117,346	5,174,040	5,536,576	4,212,448	5,955,750	5,361,103
Lead, and manufactures of lead and of pewter	33,140	63,442	75,446	57,357	96,527	36,775	36,166	52,920	144,729

No. 10.—*Statement exhibiting the value of leading articles of manufacture, &c.*—Continued.

Articles.	1856.	1857.	1858.	1859.	1860.	1861.	1862.	1863.	1864.
Leather, common	$252,344	$497,714	$605,589	$499,718	$674,309	$555,202	$389,607	$634,397	$371,170
morocco and other fine	5,765	2,119	13,099	41,465	19,011	7,567	13,469	18,719	21,108
Lime, cement, and bricks	64,297	68,002	103,821	160,611	154,045	93,202	83,285	98,973	123,307
Lumber, boards and other	803,684	638,406	1,240,425	1,001,216	705,119	441,979	3,178,735	3,705,853	3,978,100
masts, spars, and hewn timber	234,969	516,735	292,163	367,609	231,668	97,875	138,521	8,036	142,425
Marble and stone manufactures	162,376	111,403	138,590	112,214	176,239	185,267	195,442	138,214	144,217
Musical instruments	133,517	127,748	97,775	155,101	129,653	150,974	147,826	148,732	171,542
Oils, lard	161,232	92,499	60,958	50,793	55,783	81,783	152,026	983,349	376,682
linseed	57,190	54,144	48,225	34,194	26,799	27,982	20,893	29,861	80,997
petroleum and coal						150,000	1,559,027	3,750,000	10,771,292
Paints and varnish	217,173	223,320	131,217	185,068	223,809	240,923	264,114	436,833	261,639
Paper and stationery	203,017	224,767	229,991	299,857	285,798	347,915	393,793	593,036	542,610
Printing presses and type	67,519	52,747	106,498	68,868	157,124	106,562	169,147	206,037	157,095
Saddlery	31,249	45,222	55,280	58,870	71,332	61,469	67,759	107,711	119,571
Soap	434,176	530,085	305,704	466,215	494,405	455,648	636,049	736,524	770,601
Spirits, alcoholic, from grain	500,945	1,248,234	476,722	273,576	311,595	867,954	328,414	1,390,538	717,644
all other	1,424,635	1,336,646	1,517,123	949,635	1,149,843	1,443,731	2,293,563	2,015,034	708,538
Spirits of turpentine	839,048	741,346	1,089,282	1,306,035	1,916,289	1,192,787	54,091	143,777	87,863
Staves, shooks, and heading	1,864,281	2,055,980	1,975,852	2,410,334	2,365,516	1,959,392	2,590,649	4,489,069	4,169,348
Sugar, brown	404,145	190,012	375,062	169,935	103,244	301,329	90,022	37,592	61,994
refined	360,444	368,206	200,724	377,944	301,674	287,881	147,397	354,919	258,952
Tin ware	13,610	5,623	24,186	39,289	39,064	30,229	62,286	41,558	45,056
Tobacco, manufactured, (cigars and snuff included)	1,829,207	1,458,553	2,410,224	3,402,491	3,383,428	2,760,531	1,076,644	3,398,181	3,648,095
Trunks and valises	32,457	37,748	59,441	42,153	50,184	40,622	50,771	80,780	109,532
Umbrellas and parasols	5,989	6,846	6,339	4,857	4,862	1,271	553	3,123	6,979
Vinegar	26,034	30,788	24,336	35,156	41,368	38,262	29,701	34,376	40,347
Wax	74,005	91,983	85,926	94,850	131,803	94,495	47,383	80,899	170,418
Wood manufactures, not stated	2,501,583	3,158,424	2,234,678	2,339,861	2,703,095	2,344,079	1,755,793	2,547,357	2,672,410
Unenumerated articles	3,751,792	3,484,870	2,804,526	2,465,653	2,534,959	2,691,296	3,690,191	3,078,639	7,396,339
Totals	36,612,053	36,655,296	35,853,693	39,934,373	45,237,384	40,730,883	35,168,315	51,119,924	55,998,396

TREASURY DEPARTMENT, *December* 1, 1864.

S. B. COLBY, *Registor.*

No. 11.

Statement exhibiting the amount of the tonnage of the United States annually from 1789 *to* 1864, *inclusive; also the registered, enrolled, and licensed tonnage employed in steam navigation in each year.*

Year ending—	Registered sail tonnage.	Registered steam tonnage.	Enrolled and licensed sail tonnage.	Enrolled and licens'd steam tonnage.	Total tonnage.
	Tons.	*Tons.*	*Tons.*	*Tons.*	*Tons.*
December 31, 1789	123,893	.....	77,669	.....	201,562
1790	346,254	.....	132,123	.....	274,377
1791	362,110	.....	139,036	.....	502,146
1792	411,438	.....	153,019	.....	564,457
1793	367,734	.....	153,030	.....	520,764
1794	438,863	.....	189,755	.....	628,618
1795	529,471	.....	218,494	.....	747,965
1796	576,733	.....	255,166	.....	831,899
1797	597,777	.....	279,136	.....	876,913
1798	603,376	.....	294,952	.....	898,328
1799	662,197	.....	277,212	.....	939,409
1800	559,921	.....	302,571	.....	972,492
1801	632,907	.....	314,670	.....	947,577
1802	560,380	.....	331,724	.....	892,104
1803	597,157	.....	352,015	.....	949,172
1804	672,530	.....	369,874	.....	1,042,404
1805	749,341	.....	391,027	.....	1,140,368
1806	808,265	.....	400,451	.....	1,208,716
1807	848,307	.....	420,241	.....	1,268,584
1808	769,054	.....	473,542	.....	1,242,596
1809	910,059	.....	440,222	.....	1,350,281
1810	984,269	.....	440,515	.....	1,424,748
1811	768,852	.....	463,650	.....	1,232,502
1812	760,624	.....	509,373	.....	1,269,997
1813	674,853	.....	491,776	.....	1,166,629
1814	674,633	.....	484,577	.....	1,159,210
1815	854,295	.....	513,833	.....	1,368,128
1816	800,760	.....	571,459	.....	1,372,219
1817	800,725	.....	590,187	.....	1,390,912
1818	606,089	.....	619,096	.....	1,225,185
1819	612,930	.....	647,821	.....	1,260,751
1820	619,048	.....	661,119	.....	1,280,167
1821	619,896	.....	679,062	.....	1,298,958
1822	628,150	.....	696,549	.....	1,324,699
1823	639,921	.....	671,766	24,879	1,336,566
1824	669,973	.....	697,580	21,610	1,389,163
1825	700,788	.....	699,263	23,061	1,423,112
1826	737,978	.....	762,154	34,059	1,534,191
1827	747,170	.....	833,240	40,198	1,620,608
1828	812,619	.....	889,355	39,418	1,741,392
1829	650,143	.....	556,618	54,037	1,260,798
1830	575,056	1,419	552,248	63,053	1,191,776
1831	619,575	877	613,827	33,568	1,267,847
1832	686,809	181	661,827	90,633	1,439,450
1833	749,482	545	754,819	101,305	1,606,151
1834	857,098	340	778,995	122,474	1,758,907
September 30, 1835	885,481	340	816,645	122,474	1,824,940
1836	897,321	454	839,226	145,102	1,822,103
1837	809,343	1 104	932,576	153,651	1,896,684
1838	819,801	2,791	982,416	190,632	1,995,640
1839	829,096	5,149	1,062,445	199,789	2,096,479
1840	895,610	4,155	1,082,815	198,184	2,180,764
1841	945,057	746	1,010,599	174,342	2,130,744
1842	970,658	4,701	892,072	224,960	2,092,391

No. 11.—*Statement exhibiting the amount of the tonnage, &c.*—Continued.

Year ending—	Registered sail tonnage.	Registered steam tonnage.	Enrolled and licensed sail tonnage.	Enrolled and licens'd steam tonnage.	Total tonnage.
	Tons.	*Tons.*	*Tons.*	*Tons.*	*Tons.*
June 30, 1843	1,003,932	5,373	917,804	231,494	2,158,603
1844	1,061,856	6,909	946,060	265,270	2,280,095
1845	1,088,680	6,492	1,002,303	319,527	2,417,002
1846	1,123,999	6,287	1,090,192	341,606	2,562,084
1847	1,235,682	5,631	1,198,523	399,210	2,839,046
1848	1,344,819	16,068	1,381,332	411,823	3,154,042
1849	1,418,072	20,870	1,453,459	441,525	3,334,016
1850	1,540,769	44,429	1,468,738	481,005	3,535,151
1851	1,663,917	62,390	1,524,915	521,217	3,772,439
1852	1,819,774	79,704	1,675,456	563,536	4,138,440
1853	2,013,154	90,520	1,789,238	514,098	4,407,010
1854	2,238,783	95,036	1,887,512	581,571	4,802,902
1855	2,440,091	115,045	2,021,625	655,240	5,212,001
1856	2,401,687	89,715	1,796,888	583,362	4,871,652
1857	2,377,094	86,873	1,857,964	618,911	4,940,842
1858	2,499,742	78,027	2,550,067	651,363	5,049,808
1859	2,414,654	92,748	1,961,631	676,005	5,145,038
1860	2,448,941	97,296	2,036,990	770,641	5,353,868
1861	2,540,020	102,608	2,122,589	774,596	5,539,813
1862	2,177,253	113,998	2,224,449	596,465	5,112,165
1863	1,892,899	133,215	2,630,212	439,755	5,126,081
1864	1,475,376	106,519	2,550,690	853,816	4,986,401

S. B. COLBY, *Register.*

TREASURY DEPARTMENT, *December* 1, 1864

No. 12.

Statement showing the amount of moneys expended at each custom-house in the United States during the fiscal year ending June 30, 1864, per act of 3d March, 1849.

Districts.	Present collectors.	Amount.
Passamaquaddy, Maine	Washington Long	$29,607 05
Machias, Maine, (*d*)	William B. Smith	1,710 50
Frenchman's Bay, Maine	Isaac H. Thomas	5,423 68
Penobscot, Maine	Seth K. Devereux	19,279 06
Waldoborough, Maine, (*d*)	S. S. Marble	5,052 98
Wiscasset, Maine	Erastus Foote	5,818 05
Bath, Maine	Roland Fisher	9,065 82
Portland and Falmouth, Maine	Israel Washburne, jr	67,308 78
Saco, Maine	Owen B. Chadbourne	335 00
Kennebunk, Maine, (*d*)	Nathaniel K. Sargent	567 04
York, Maine	J. S. Putnam	624 18
Belfast, Maine	Truman Harmon	6,648 42
Bangor, Maine	William P. Wingate	7,223 63
Portsmouth, New Hampshire, (*d*)	Joseph B. Upham	4,711 90
Vermont, Vermont	William Clapp	14,805 01
Newburyport, Massachusetts	Enoch G. Currier	5,391 56
Gloucester, Massachusetts	John S. Webber	5,522 34
Salem and Beverly, Massachusetts	Willard P. Phillips	14,422 58
Marblehead, Massachusetts, (*d*)	William Standley	1,591 45
Boston and Charlestown, (*a*)	John Z. Goodrich	
Plymouth, Massachusetts	Thomas Loring	2,439 92
Fall River, Massachusetts, (*d*)	Charles Almy	2,726 71
Barnstable, Massachusetts	C. F. Swift	5,684 93
New Bedford, Massachusetts	Lawrence Grinnell	18,289 04
Edgartown, Massachusetts	John Vinson	3,011 29
Nantucket, Massachusetts	Alfred Macy	2,015 84
Providence, Rhode Island	Charles Anthony	13,524 41
Bristol and Warren, Rhode Island, (*d*)	W. R. Taylor	2,707 64
Newport, Rhode Island, (*d*)	Seth W. Macy	11,674 39
Middletown, Connecticut	Origen Utley	2,430 30
New London, Connecticut	Edward Prentis	23,667 60
New Haven, Connecticut	James F. Babcock	13,796 98
Fairfield, Connecticut	Silas C. Booth	2,325 66
Stonington, Connecticut, (*e*)	Franklin A. Palmer	1,151 67
Sackett's Harbor, New York, (*a*)	Cornelius Inglehart	
Genesee, New York	P. M. Crandall	6,080 12
Oswego, New York	Charles A. Perkins	11,932 11
Niagara, New York	Franklin Spalding	13,741 21
Buffalo Creek, New York	Christian Metz, jr	16,332 46
Oswegatchie, New York	David M. Chapin	8,477 87
Sag Harbor, New York	John Sherry	1,032 97
New York, New York, (*f*)	Hiram Barney	1,439,931 07
Champlain, New York	George W. Goff	10,211 62
Cape Vincent, New York	John W. Ingalls	8,790 10
Dunkirk, New York	George M. Abell	1,671 49
Bridgetown, New Jersey	J. H. Elmer	396 92
Burlington, New Jersey	William L. Ashmore	177 57
Perth Amboy, New Jersey	John L. Boggs	3,977 59
Great Egg Harbor, New Jersey	Israel S. Adams	1,415 49
Little Egg Harbor, New Jersey	Jarvis H. Bartlett	2,991 27
Newark, New Jersey	Peter W. Martin	1,978 94
Camden, New Jersey	Sylvester Birdsell	294 65
Philadelphia, Pennsylvania, (*d*)	William B. Thomas	185,443 80
Presque Isle, Pennsylvania	Thomas Wilkins	1,206 39
Pittsburg, Pennsylvania, (*d*)	C. W. Batchelor	4,872 33
Delaware, Delaware	Thomas M. Rodney	11,463 10
Baltimore, Maryland	Henry W. Hoffman	314,335 19
Annapolis, Maryland	John E. Stalker	1,070 00

No. 12.—*Statement showing the amount of money expended, &c.*—Continued.

Districts.	Present collectors.	Amount.
Oxford, Maryland	William H. Valliant	$279 49
Vienna, Maryland	Daniel J. Waddell	2,123 83
Town Creek, Maryland	James Jones	153 39
Havre de Grace, Maryland	William E. Woodhouse	150 00
Georgetown, District of Columbia, (*d*)	Judson Mitchell	20,725 97
Richmond, Virginia, (*a*)		
Norfolk and Portsmouth, Virginia, (*a*)		
Tappahannock, Virginia, (*a*)		
Cherrystone, Virginia, (*d*)	C. J. D. West	483 29
Yorktown, Virginia, (*a*)		
Petersburg, Virginia, (*a*)		
Alexandria, Virginia	Andrew Jamieson	4,678 57
Wheeling, Virginia, (*b*)	Thomas Hornbrook	3,853 38
Yeacomico, Virginia, (*a*)		
Camden, North Carolina, (*a*)		
Edenton, North Carolina, (*a*)		
Plymouth, North Carolina, (*a*)		
Washington, North Carolina, (*a*)		
Newberne, North Carolina, (*a*)		
Ocracoke, North Carolina, (*a*)		
Beaufort, North Carolina, (*d*)	John A. Hedrick	11,178 55
Wilmington, North Carolina, (*a*)		
Charleston, South Carolina, (*a*)		
Georgetown, South Carolina, (*a*)		
Beaufort, South Carolina	T. C. Severance	16,053 74
Savannah, Georgia, (*a*)		
Saint Mary's, Georgia, (*a*)		
Brunswick, Georgia, (*a*)		
Augusta, Georgia, (*a*)		
Pensacola, Florida, (*a*)		
Saint Augustine, Florida, (*a*)		
Key West, Florida, (*d*)	Charles Howe	3,405 14
Saint Marks, Florida, (*a*)		
Saint John's Florida, (*a*)		
Apalachicola, Florida, (*a*)		
Fernandina, Florida, (*a*)		
Bayport, Florida, (*a*)		
Palatka, Florida, (*a*)		
Mobile, Alabama, (*a*)		
Tuscumbia, Alabama, (*a*)		
Pearl River, Mississippi, (*a*)		
Natchez, Mississippi, (*a*)		
Vicksburg, Mississippi, (*a*)		
New Orleans, Louisiana, (*a*)		
Teche, Louisiana, (*a*)		
Shreveport, Louisiana, (*a*)		
Texas, Texas, (*a*)		
Brazos de Santiago, Texas, (*a*)		
Saluria, Texas, (*a*)		
Paso del Norte, New Mexico	William W. Mills	4,585 80
Nashville, Tennesssee, (*a*)		
Memphis, Tennessee, (*a*)		
Knoxville, Tennessee, (*a*)		
Chattanooga, Tennessee, (*a*)		
Louisville, Kentucky, (*a*)		
Paducah, Kentucky, (*b*)	W. Thornberry	1,787 00
Hickman, Kentucky, (*a*)		
Columbus, Kentucky, *a*)		
Miami, Ohio	Andrew Stephan	4,193 14
Sandusky, Ohio	John Youngs	4,381 56
Cuyahoga, Kentucky	Charles J. Ballard	7,110 90
Cincinnati, Ohio, (*g*)	Enoch T. Carson	21,909 19
Detroit, Michigan	Nelson G. Isbell	17,370 76

No. 1.2—*Statement showing the amount of moneys expended, &c.*—Continued.

Districts.	Present collectors.	Amount.
Michilimackinac, Michigan	John McMath	$5,093 37
Evansville, Indiana	A. L. Robinson	9,338 49
Madison, Indiana	John M. Freeman	410 00
New Albany, Indiana	Jacob Anthony	531 00
Chicago, Illinois	Luther Haven	15,631 07
Alton, Illinois	John H. Yager	470 33
Galena, Illinois	Daniel Wann	367 13
Quincy, Illinois	James J. Langdon	1,093 63
Cairo, Illinois	Daniel Arter	10,840 09
Peoria, Illinois, (*a*)		
Saint Louis, Missouri, (*a*)		
Hannibal, Missouri, (*a*)		
Burlington, Iowa	Clark Dunham	2,027 50
Keokuk, Iowa	John Stannus	2,518 63
Dubuque, Iowa	John B. Henion	650 00
Milwaukie, Wisconsin	C. Latham Sholes	6,367 41
Minnesota, Minnesota	Joseph Lemay	2,679 60
Puget's Sound, Washington Territory	Lewis C. Gunn	23,137 11
Oregon, Oregon	William L. Adams	5,183 50
Cape Perpetua, Oregon, (*c*)	Edwin P. Drew	1,165 00
Port Orford, Oregon, (*a*)		
San Francisco, California, (*h*)	Charles James	155,067 52
Sonoma, California (*a*)		
San Joaquin, California (*a*)		
Sacramento, California (*a*)		
San Diego, California (*a*)		
Monterey, California (*a*)		
San Pedro, California (*a*)		
Total		2,725,514 18

S. B. COLBY, *Register*

TREASURY DEPARTMENT,
Register's Office, November 1, 1864.

NOTE.—(*a*) No returns.
(*b*) To 30th September, 1863.
(*c*) To 31st December, 1863.
(*d*) To 31st March, 1864.
(*e*) To 7th February, 1864.
(*f*) To 30th April, 1864.
(*g*) To 18th April, 1864.
(*h*) To 24th March, 1864.

No. 13.

General result of all receipts and disposals of merchandise within the United States during the fiscal year ending June 30, 1864.

	1863.							
	July		August.		September.		October.	
	Amount.	Duty.	Amount.	Duty.	Amount.	Duty.	Amount.	Duty.
Value of merchandise in warehouse on the first of the month	$24,407,187 73	$11,390,218 65	$26,367,004 79	$12,309,800 44	$23,577,670 29	$11,112,433 15	$17,903,479 33	$8,489,258 18
Value of merchandise received in warehouse from foreign ports during the month	7,712,099 81	3,772,587 77	5,306,715 61	2,611,283 85	4,071,468 00	2,143,051 21	5,379,257 87	2,732,743 46
Value of merchandise received in warehouse transported from other ports during the month	192,614 00	93,794 54	160,795 00	90,729 32	305,227 24	156,535 42	399,279 58	247,705 96
Value of dutiable merchandise entered for consumption from foreign ports during the month	10,765,317 15	3,316,393 07	11,569,862 31	3,875,267 16	12,916,411 21	4,490,323 43	13,637,513 05	4,520,831 29
Value of free merchandise entered for consumption from foreign ports during the month	2,858,277 97	.....	3,070,237 29	.....	3,574,581 91	.....	3,412,201 00	.....
Value of merchandise entered for consumption from warehouse during the month	5,102,537 52	2,517,824 99	7,743,120 11	3,636,544 39	8,591,635 02	4,231,564 03	6,314,404 44	3,029,959 55
Value of merchandise entered for transportation to other ports during the month	185,119 80	143,431 58	208,942 00	97,790 68	513,461 73	272,527 22	279,568 00	153,645 30
Value of merchandise entered for exportation from warehouse during the month	657,239 43	285,543 95	304,783 00	165,045 39	945,789 00	418,670 35	833,792 00	448,009 67
Value of merchandise in warehouse at the close of the month	26,367,004 79	12,309,800 44	23,577,670 29	11,112,433 15	17,903,479 33	8,489,258 18	16,254,252 34	7,838,093 08
Value of merchandise in transitu at the close of the month	627,396 00	333,090 78	575,960 00	273,992 61	865,198 73	438,682 58	983,582 73	490,583 98

No. 13.—*General result of all receipts and disposal of merchandise within the United States, &c.*—Continued.

	1863.				1864.			
	November.		December.		January.		February.	
	Amount.	Duty.	Amount.	Duty.	Amount.	Duty.	Amount.	Duty.
Value of merchandise in warehouse on the first of the month	$16,254,252 34	$7,838,093 08	$16,796,978 47	$8,104,891 76	$18,021,815 28	$8,529,114 20	$17,656,124 91	$8,377,384 80
Value of merchandise received in warehouse from foreign ports during the month	6,666,221 01	3,178,493 04	6,960,693 50	3,334,838 70	6,385,034 29	3,003,281 98	5,768,821 06	2,830,921 93
Value of merchandise received in warehouse transported from other ports during the month	307,740 00	214,573 63	435,313 55	377,597 79	247,374 50	239,557 06	288,837 00	172,448 31
Value of durable merchandise entered for consumption from foreign ports during the month	12,288,126 51	3,920,004 68	12,604,277 73	4,189,175 11	14,862,298 37	4,671,730 15	18,020,288 04	5,943,422 79
Value of free merchandise entered for consumption from foreign ports during the month	5,530,514 52	.....	2,466,501 40	.....	2,186,858 75	.....	1,556,945 66	.....
Value of merchandise entered for consumption from warehouse during the month	5,259,662 05	2,399,561 08	4,759,320 24	2,334,664 55	6,112,412 16	2,793,540 19	6,257,739 06	2,710,586 75
Value of merchandise entered for transportation to other ports during the month	337,523 83	243,194 55	327,635 60	250,547 50	245,801 00	161,975 91	262,884 56	143,491 61
Value of merchandise entered for exportation from warehouse during the month	834,049 00	483,512 36	1,084,214 40	703,001 80	639,886 00	439,052 34	687,830 00	435,840 12
Value of merchandise in warehouse at the close of the month	16,796,978 47	8,104,891 76	18,021,815 28	8,529,114 20	17,656,124 91	8,377,384 80	16,505,329 35	8,090,836 56
Value of merchandise in transitu at the close of the month	1,015,542 00	508,878 31	1,063,408 00	554,079 99	1,066,234 00	531,744 06	987,687 00	486,716 80

No. 13.—*General result of all receipts and disposal of merchandise within the United States, &c.*—Continued.

	1864.							
	March.		April		May.		June.	
	Amount.	Duty.	Amount.	Duty.	Amount.	Duty.	Amount.	Duty.
Value of merchandise in warehouse on the first of the month	$16, 505, 329 35	$8, 090, 836 56	$16, 712, 862 53	$8, 638, 406 23	$6, 425, 982 04	$2, 598, 735 40	$22. 689, 730 42	$13, 413, 016 96
Value of merchandise received in warehouse from foreign ports during the month	8, 299, 771 87	4, 449, 874 71	7, 778, 794 34	3, 059, 598 43	18, 335, 087 92	12, 130, 455 86	20, 714, 921 15	12, 565, 987 02
Value of merchandise received in warehouse transported from other ports during the month	290, 904 00	192, 773 94	256, 065 00	185, 838 37	350, 173 00	254, 077 86	736, 751 00	494, 703 50
Value of dutiable merchandise entered for consumption from foreign ports during the month	20, 104, 199 18	6, 065, 654 09	24, 202, 763 14	8, 549, 633 07	10, 273, 510 19	4, 365, 229 09	7. 199, 770 97	2, 721, 697 93
Value of free merchandise entered for consumption from foreign ports during the month	1, 998, 724 80	.....	3, 359, 723 79	.....	4, 451, 690 85	.....	3, 843, 475 44	.....
Value of merchandise entered for consumption from warehouse during the month	6, 925, 536 41	3, 406, 090 86	17, 274, 370 95	8, 722, 370 67	946, 293 52	484, 383 90	3, 312, 116 38	1, 531, 538 87
Value of merchandise entered for transportation to other ports during the month	375, 413 28	196, 428 99	274, 814 76	184, 086 29	321, 367 02	271, 293 25	433, 678 76	292, 497 86
Value of merchandise entered for exportation from warehouse during the month	1, 082, 193 00	492, 559 13	772, 554 12	378, 650 67	1, 154, 258 00	814, 575 01	1, 982, 662 82	1, 342, 193 07
Value of merchandise in warehouse at the close of the month	16, 712, 862 53	8, 638, 406 23	6, 425, 982 04	2, 598, 735 40	22, 689, 324 42	13, 413, 016 96	38, 412, 944 61	23, 307, 477 68
Value of merchandise in transitu at the close of the month	1, 029, 736 00	547, 649 67	1, 071, 076 00	566, 814 95	927, 443 97	552, 229 36	1, 035, 925 00	671, 736 35

N. SARGENT, *Commissioner.*

TREASURY DEPARTMENT, *Office of Commissioner of Customs. December* 3, 1864.

REPORT

OF THE

SECRETARY OF THE INTERIOR.

DEPARTMENT OF THE INTERIOR,
Washington, December 5, 1864.

SIR: I have the honor to submit for your information, and the consideration of Congress, the following synopsis of results attained during the past year in those branches of the public service which have been placed by law under the supervision and control of this department.

From the foundation of the government to the present time the management and disposal of the public lands have engrossed a large share of the public attention. Of the two thousand millions of acres embraced in the territorial extent of the United States, one thousand four hundred millions belonged to the public domain.

By a liberal policy in granting and selling lands, about one-third of this vast patrimony has been disposed of, leaving about one thousand millions of acres still the property of the government. About one-fourth of all the laws that have been enacted by Congress relate to the public lands, and to the settlement of the land claims derived from the governments which formerly had jurisdiction of the soil.

At some periods of our national history a considerable income to the treasury was derived from sales, and at others, the cash receipts declined to a sum but little exceeding the cost of administering the land system. During the first sixty years of the present century the average income from sales was two and three quarter millions of dollars per year, and the quantity disposed of by sales, and for military bounties, was about two hundred and five millions of acres.

During the last ten years the income from lands was less than during the preceding decade. This was occasioned by the large quantities of land—granted for internal improvements and for military and other purposes—which have competed, in the market, with the lands of the United States; and, more recently, by the passage of the Homestead law, under which large quantities have been entered at nominal rates. The annual receipts from ordinary sales for four years past have been as follows:

For the year ending June 30, 1861	$884,887 03
Do.....do.....do.....1862	125,048 30
Do.....do.....do.....1863	136,077 95
Do.....do.....do.....1864	678,007 21

The depressing influences of civil war have been felt during the last three years, but the results for that just closed demonstrate a revival of the annual demand for the public lands, particularly for settlement and cultivation.

During the year ending June 30, 1864, public lands have been disposed of as follows:

Acres sold for cash	432,773.90
" located with military warrants	515,900.00
" located with agricultural scrip	214,418.14
" certified to States for railroads	857,180.87
" taken under the Homestead law	1,261,592.61
" disposed of during the year	3,281,865.52
During the quarter ending September 30, 1864, the aggregate quantity taken for the same purpose was	939,476.90
Making a total of	4,221,342.42

The cash receipts for sales, homestead and location fees for the same five quarters, were $1,019,446 44.

The aggregate quantity of public lands surveyed, but not disposed of, was, on the 30th September last, 133 517,587 acres. This has been the average quantity for several years past. The amount surveyed annually has been about equal to that disposed of annually.

Nineteen States have accepted the provisions of the acts donating lands "for the benefit of agriculture and the mechanic arts," and have received land and land scrip amounting to 4,950,000 acres.

The jurisdiction conferred on this department by the act of Congress of March 3, 1851, for the definite location of confirmed private land claims in California was taken from it by an act approved June 14, 1860, but has been recently restored under the act approved July 1, 1864. The quantity of land embraced in all the confirmations to the present date is 4,366,974 acres; of which 2,430,906.60 acres have been finally surveyed and patented. What remains to be done, in the important work of severing the private from the public lands in that State, will be prosecuted with diligence, and brought to completion as rapidly as possible.

Under the acts of Congress of July 1, 1862, and July 2, 1864, making grants of land to aid the construction of railroad and telegraph lines to the Pacific coast, the initial point of the main line of railroad from the Missouri river westward has been fixed at Omaha, Nebraska, and the definite location of the road for one hundred miles west from that point has been approved by the President. The route of the Pacific railroad of California has been selected, and a

map of the preliminary location thereof, from Sacramento eastward to the great bend of the Truckee river, in Nevada, has been filed in this department. The lands along these routes, for twenty-five miles, on both sides, have been withdrawn from market, pursuant to the requirements of the act of 1862.

In the administration of the laws regulating the grants of swamp lands to the States, and authorizing the allowance of indemnity in certain cases, where swamp lands have been sold by the United States, a liberal construction has been adopted and a generous policy pursued. No alteration of these laws is demanded by principles of justice. An extension of the indemnity, or of the time now prescribed by law for selecting swamp lands, would, in my opinion, be prejudicial to the interests of the United States.

The claim of the Missionary Society of the Methodist Episcopal church to lands at the Dalles of the Columbia river, in Oregon, based upon the first section of the act of Congress, approved August 14, 1848, having been brought before this department upon appeal on the 27th of April last, I requested the advice of the Attorney General of the United States touching the law arising upon the facts disclosed by the papers in the case. On the 27th of May I had the honor to receive his reply, stating that, in his opinion, the question presented was "purely judicial, and not proper to be determined by any executive officer." In deference to this opinion, the department declined making a decision in that and a similar case then before it. Proceedings in all such cases under that act have been suspended in the General Land Office and in the subordinate offices in Oregon.

For further details in reference to the public lands, I respectfully refer to the annual report of the Commissioner of the General Land Office.

During the past year additional discoveries of precious metals, particularly of silver, have been made in the region flanking, on the eastward, the extended mountain ranges of the Sierra Nevada. A vast belt of some one or two hundred miles in width, and eight or nine hundred in length, embracing portions of Idaho, Nevada, and Arizona, is rich in silver ore. Owing to the remote locality of these mines, and the difficulty of transportation thereto, but little machinery well adapted to the rapid and economical reduction of the various ores has been introduced. In that portion of Nevada through which the Pacific railroad will pass many rich veins have been found, and it is estimated by persons familiar with the subject that, if the mines now opened there were supplied with the proper machinery, they would yield ten millions of dollars per month. In the same region vast beds of salt have also been found, which, from its value in the process of separating the silver in the ores, has given a fresh impulse to mining. When we reflect that the region of country in which deposits of the precious metals abound includes large portion of three States and six Territories, and that the richest veins of ore heretofore discovered are as yet but slightly developed, whilst new discoveries are constantly made, it will be perceived that the annual product of the mines in the United States must soon reach a magnitude without precedent in the history of mining operations.

The wealth imbedded in the rocks of that extensive region is actually inexhaustible, and it will furnish in future years, indirectly, a principal part of our means of liquidating the debt contracted by the government for the overthrow of the great rebellion. As a measure tending to accelerate the reduction of these mineral deposits into available wealth, and to strengthen the public credit by an authentic publication of our vast resources, I respectfully recommend that provision be made for the appointment of experienced and skilful mineralogists to make a scientific examination of the principal mining localities, and of the mineral regions generally, and to report the results. Their reports should be printed and widely circulated. An appropriation would be required for these purposes.

Much interest has been manifested in favor of the establishment of a bureau of mines and minerals, to which the administration of all details in respect to this important subject should be committed. I am satisfied that such legislation will, before many years, be found necessary, if it has not already become so.

The attention of Congress has frequently been called to the importance of securing an income to the national treasury from the products of the mines and placers. By the laws of Spain and Mexico, and according to the principles generally accepted in civilized countries, the property in these precious deposits is vested in the government exercising sovereignty and jurisdiction over the soil.

The first annual report from this department contained a number of suggestions relating to the protection of this property, and to securing a revenue from the annual products. Since that time, the same subject has been frequently mentioned in the annual reports of this department, but Congress has never taken legislative action. Sound policy dictates the propriety of levying a revenue tax upon those who are engaged in gathering individual wealth from this national property. The Bureau of Internal Revenue, recently established in the Department of the Treasury, furnishes a ready and suitable instrumentality for collecting it. The requirement of a moderate license fee from each person engaged in placer mining upon the public domain, and a reasonble tax upon the products of all mines, which might be graduated according to the cost of production, would be just to the government and satisfactory to the mining interest.

When it is considered that a nominal tax of one per centum upon the present product of the mines would yield a larger income than is now derived from the sales of the public lands, with an expense of collecting it comparatively small, and that the prospective revenue from this source is so great, the impolicy of granting the mines and mineral lands in fee, without consideration, must be apparent to all. It should, however, be borne in mind that the business of developing the mineral resources of those regions is yet in its infancy, and that all legislation bearing upon it should have for its object the increase of the annual products of the precious metals, and should, in its inception, be directed to the encouragement of the miner, by affording him security in his possessions

and stability to his business, rather than to obtaining an immediate income to the treasury.

With the prospect of returning peace, and the consequent increase of migration to the mining regions likely thereafter to ensue, it seems to be demanded of Congress that the rights of miners should be defined and secured by law, and the prosperity of those regions and the preservation of good order therein thus insured.

The mines of New Mexico and Arizona are probably not inferior in richness to any within the limits of the United States. Owing to their inaccessibility they are indifferently wrought. All efforts to make them available must necessarily be feeble, and attended with but partial success, until roads shall have been constructed through those Territories from the Atlantic States, or from the navigable waters of the Pacific. Since the acquisition of this portion of our domain, now a period of seventeen years, the United States have received no income from the sale of lands within it, and but an inconsiderable sum from the sale of lands in southeastern California. It is believed that the larger portion of the land in that section, adapted to agriculture, is covered by Spanish and Mexican grants or set apart for Indian pueblos. There is, therefore, but a slight prospect that anything will be realized from sales of the lands, or that they will ever be located by homestead settlers. The wants and habits of the population are not such as to give any assurance or afford any expectation that they will undertake, from their own means, to prosecute to a successful completion the roads necessary to the development of the vast mineral riches of the country.

A further discouragement to the settlement of Arizona and southern California has been the continued drought, which has prevailed for the last two years, and from which, most of the herds of cattle and sheep, accustomed to graze there, have perished.

The desert of California, known as the Colorado desert, covering a territory of near one hundred miles in extent, was evidently at one time watered by the Colorado river. Being for the most part depressed below the bed of that river, it is susceptible of reclamation from its present condition, by means of dams and acéquias, the construction of which, although not difficult, is, without substantial aid from Congress, beyond the means of the inhabitants. These combined difficulties render it probable, nay, almost certain, that the government will, under existing circumstances, derive no benefit either from the barren lands or from the mineral wealth which abounds in those Territories.

There can be no doubt that the public resources would be much increased by the immediate working of the mines to the extent of their capacity, and by the settlement of those regions by an enterprising and industrious population, though no direct income should be derived from the sale of the lands. It is therefore worthy of consideration, whether it would not be expedient to grant all, or such portions of the lands, as are requisite to insure the construction of the necessary railroads, and the conversion of the sterile lands to a condition of fertility. The benefits resulting from such roads would not be confined to the pro-

duct of the mines. A new highway, at all times exempt from obstruction by snow, would be open to the Pacific. Passing by the valley of the Rio Grande to El Paso, it would receive a large portion of the rich commerce of Central and Western Mexico. These benefits are so obvious and of such surpassing importance, that I do not hesitate in expressing my earnest conviction that the government should embrace any suitable opportunity which may be offered to secure the completion of a railroad upon the terms suggested.

It appears from a communication of General Dix, the president of the Union Pacific Railroad Company, that it has, since the adjournment of Congress, expended more than half a million of dollars upon the main line of the road leading westward from Omaha, of which one hundred miles have been permanently located, and forty miles are in process of construction.

The company has surveyed lines to Salt Lake City, through the South Pass, Laramie plains, Bridger's Pass, by way of Timpanagos and Weber rivers, to determine the most feasible route. Parties have also been engaged in explorations in Colorado Territory through Berthold's Pass and up the Caché la Poudre river, and also in examining the topography of the country in the vicinity of the 100th meridian of longitude, and in locating the line from Omaha to Fort Kearney. Considering the limited time which has elapsed since the action of Congress enabled this company to prosecute the work with energy, satisfactory progress has been made, and the country has no reason to apprehend any tardiness in the prosecution of this great enterprise.

The progress made in the construction of the branch road in Kansas, known as the Union Pacific railroad, eastern division, has not met the reasonable expectations of the public. There was just reason to believe that the second section of forty miles of that road would have been rapidly approaching completion, if not actually completed by this time; instead of which, forty miles only of the track are laid, and that not yet in a condition to be examined by the commissioners appointed by the President, to inspect and report upon the work.

For this unexpected state of affairs the company is not altogether without excuse. The assassination of its contractor in July last, soon after the adjournment of Congress, the continued insurmountable difficulties of obtaining the necessary materials, either by river or rail, from causes known to all, prevented them for a time from prosecuting the work. Since these difficulties have been partially removed, a commendable energy has marked the conduct of the company. The first section of the road to Lawrence, to which place the track is laid, will undoubtedly be open to the public and in use within a few days. The company in California is also making satisfactory progress with its portion of the road.

The President has appointed George Ashmun of Massachusetts, Springer Harbaugh of Pennsylvania, Charles T. Sherman of Ohio, Jesse L. Williams of Indiana, and Timothy J. Carter of Illinois, to be directors, on the part of the United States in the Union Pacific Railroad Company, and these gentlemen

have accepted the appointment. The wisdom of Congress in providing for the appointment of such officers cannot be doubted.

Being impressed with the conviction of the importance of securing the interest of the government in the roads connecting with the main line, and the faithful compliance, by the companies constructing them, with the terms and conditions upon which they are entitled to the munificent bounties offered by Congress, I should not hesitate to recommend, if it were deemed practicable, that such directors should be *ex officio* members of the board or other governing authority of each of such companies. I submit this subject to the consideration of Congress, with the hope that some means will be devised by which a supervisory control over the action of such companies may, within proper limits, be conferred upon the directors on the part of the United States.

The management of the Indians during the past year has been attended with difficulty. In addition to the war against that portion of the Sioux that committed the massacres in Minnesota in 1862, and who are yet unpunished and unsubdued, military operations have been carried on against the combined bands of the Sioux of the plains and of the Upper Missouri, as well as against a considerable portion of the Cheyennes and Arapahoes, particularly those who have been accustomed to inhabit the country of the Upper Platte river, and who were parties to the treaty of Fort Laramie. It is not necessary to inquire whether, by adopting conciliatory measures these military operations might not, to a great extent, have been avoided. Those who desire to investigate the subject may, with advantage, consult the report of the Commissioner of Indian Affairs. The question of interest is, what course shall hereafter be pursued with these Indians, in order to reduce them to subjection, and to afford all needful protection to our citizens. The overland mail to Colorado, and to the States and Territories west thereof, as well as a large proportion of the carriers of goods, and of the emigrants to those regions, passes over the Laramie plains, which are infested during a large portion of the year by these Indians. The route of the Pacific railroad passes through the same country, and the government is, by act of Congress, under obligation to extinguish the Indian title. The government has but one treaty—that of Fort Laramie—with the Sioux (of Dakota) and with the Cheyennes and Arapahoes between the forks of the Platte river, which these latter Indians have ever acknowledged. This treaty was ratified by the Senate with amendments and its benefits to the Indians, by virtue of the limitations imposed by the Senate are about to terminate. A sufficient reservation for the Cheyennes and Arapahoes has been established on the Upper Arkansas, in the vicinity of Fort Lyon, and efforts have been made which promise success to make it a suitable and permanent home for them. The treaty referred to forbids the occupation of the Platte country by the whites, and only permits their transit through it.

To enable the Union Pacific Railroad Company to establish its line of road through this country, it is necessary that the United States shall have the unmolested possession of the route, and of much of the adjacent country. To secure that object, however, I do not think it important that any further treaties

should be made with these Indians. Their violation of the existing treaty, in making war upon our people, renders this unnecessary, if the views which are hereinafter expressed shall be approved by Congress. As the most expeditious mode to accomplish the object, it is recommended that the agency at the Upper Platte be abolished, and that the number of military posts along the line of the railroad and overland mail route be increased sufficiently to protect it and exclude the Indians therefrom.

This department will make provision for such Indians as will submit to its authority and locate upon the reservation. Those who resist should be pursued by the military and punished.

With these Indians—the Sioux—and all others in hostility with the United States, trade and intercourse should be interdicted, until they yield to the will and direction of the government. To this end, I recommend that a law be passed making it a penal offence for any person to carry goods, or supplies of any kind whatever, into their country, for traffic; and that all persons, of whatever pursuit, shall be prohibited from trading or trafficking with them while they are in a state of hostility.

Much has been said, and the public mind has lately been agitated, against the policy of the government in making treaties with Indian tribes, and some persons in authority advise an abrogation of all existing treaties; but it is presumed that, while this nation is governed by the rules of civilization, such a proposition will not be entertained, to the injury of all the tribes and nations of Indians who are in amity with the United States. Where the Indians have kept faith with the government, no question of expediency or policy will justify a violation of its pledges to them. There are, however, many Indians within the domain of the United States, with whom the government has no treaties acknowledging the primary right of soil in the tribes; with these, possibly, with some exceptions, it would be wise to abstain from making any treaty recognizing such right. Suitable reservations should be selected for them, and means adopted to establish them thereon, and to enable them, by their own industry, to sustain themselves. This policy has already been introduced successfully in the management of the Indians in California, and may properly be applied, to a considerable extent, in the neighboring States and Territories. In negotiating new treaties, where good policy or existing engagements will admit of that course of action, stipulations for the payment of money annuities should be avoided.

The propriety of the removal of the Navajoes of New Mexico and Arizona to the Bósque Redóndo reservation has been a subject of much contrariety of opinion. This department, upon the best information at its command, consented to their removal. As the reservation has been set apart, and a large sum of money expended by the military authorities in the endeavor to permanently establish the Indians there, great fickleness of purpose would be manifested in abandoning the enterprise before it shall have been fully and fairly tested. I am strongly inclined to the opinion, notwithstanding all that

has been urged against it, that, if the scheme receives a fair and just support, it will prove a success, and these Indians, so long the foes of the government, will become its faithful supporters.

For further and detailed information on the subject of Indian affairs I respectfully refer to the elaborate report of the Commissioner.

The liberal provisions of law for the payment of pensions to soldiers and seamen who have been disabled in the service of the country, and to the widows, orphans, and dependent mothers and sisters of such as have fallen in battle or died of disease or wounds, have been administered with industry, fidelity, and promptitude.

The very interesting and instructive report of the Commissioner of Pensions affords valuable information, and presents important suggestions. in which I fully concur.

Of those patriots, to whom pensions for services in the Revolutionary war had been awarded, five still survive at very advanced ages. At the beginning of the year, twelve were living, and 1,418 widows of Revolutionary soldiers were receiving pensions, making 1,430 pensioners of this class—the aggregate of whose yearly stipends was $115,217 43.

The number of army pensioners (other than Revolutionary) who were paid during the fourteen months ending the 30th of June last was 22,767, and of widows, (other than Revolutionary,) orphans, and dependent mothers, 25,433.

The total number of persons who received army pensions during that period was therefore 49,630, and the amount paid during the year ending June 30, was $4,340,368 60.

The number of navy pensioners who were paid during the fourteen months preceding the date mentioned was 1,505; and the amount of money paid them during the year was $164,247 92. The whole number of pensioners on the 30th June last was 51,135, requiring for their annual compensation $4,595,376 33.

During the year ending September 30, 1864, 1,812 bounty land warrants were issued, requiring 286,960 acres of lands to satisfy them.

The act of Congress, approved July 14, 1862, entitled "An act to grant pensions," is believed to be one of the wisest and most munificent enactments of the kind ever adopted by any nation. Its beneficial provisions extend to the disabled survivors, and to the widows, orphans, dependent mothers, and dependent orphan sisters of the deceased soldiers and seamen of every grade and rank.

During the past year more than $3,500,000 have been paid for pensions granted on account of disability or death ensuing from service in the war of the rebellion. During the continuance of the war, no reliable estimate can be made of the amount of money that will be required eventually to meet the obligations thus assumed by the government to our soldiers and seamen.

The list of pensioners is constantly undergoing both increase and diminution, and at present, and for months to come, it must be rapidly augmented, even should peace be restored without further hostilities. It is estimated that more than 7,000,000 of dollars will be required to satisfy the claims accruing under the pension laws during the current fiscal year

In fixing the grade of disability of invalid pensioners, and in discriminating as to the connection of the causes of disability or death with the service, the Pension Office is often involved in doubt and uncertainty.

It is believed that a commission of experienced surgeons might devise and mature such a schedule of usual causes of disability and death, in cases where pensions have been and are claimed, as would greatly aid the Pension Office in reaching correct conclusions—in discriminating between those cases where the cause should be regarded as incident to the service, and those in which the cause has no relation to, or connection with, military or naval duty. Whilst it is conceded that, in cases of great doubt and uncertainty, conclusions should be in favor of claimants, all must agree that a wise precaution should be taken to guard against mistakes, and that every means of enlarging information upon the topic suggested must be promotive of justice both to claimants and to the government.

The report of the Commissioner of Pensions shows the importance of the provisions of law requiring periodical examinations of invalid pensioners, and contains a list of the names of the examining surgeons.

This department has recently been advised that, under the joint resolution of Congress approved July 1, 1864, the sum of $5,000,000 of the navy pension fund has been invested in registered bonds of the United States.

I commend to the consideration of Congress the suggestion of the Commissioner, that an appropriation for pension purposes should be made of a portion of the proceeds of abandoned and confiscated property on land. It occurs to me as eminently proper that some of the means derived from these sources should be applied to the establishment of homes for those who have been, or may hereafter be, permanently disabled and rendered helpless by reason of their service during the existing war.

It was recommended to Congress at its last session that an act be passed requiring the national banks to discharge the duties of pension agents. It was believed that by that instrumentality the convenience of the pensioners would be greatly promoted, and the expense attending the employment of agents avoided. Since the adjournment of Congress, communications have been received from most of those banks, expressing a willingness to perform the duty without charge to the government. I renew the recommendation that a law be passed charging the banks with the payment of pensions, whenever it shall be the pleasure of the department to require it of them.

Since the last annual report of this department, seven additional agencies for paying pensions have been established, and it is believed that the number now in operation will be sufficient to transact the business, should the present system of payments be continued.

The business operations of the Patent Office for the year ending September 30 have been very satisfactory. During the period above named, 6,740 applications for patents and 989 caveats were filed; 29 applications also were made for the extension of patents previously granted. During the same period

4,843 patents, including reissues and designs, were issued, and 40 extensions granted. The number of applications awaiting the payment of the final fee required by law before patents can be issued has largely increased, numbering now over 1,000. The finances of the office are in a prosperous condition, as appears by the following short statement:

The balance in the treasury to the credit of the patent fund on October 1, 1863, was $37,732 63. The receipts of the office to September 30, 1864, amounted to $230,838 60, making a total sum of $268,571 23. The expenditures during the same period were $212,453 84, leaving a balance of $56,117 39 on hand on October 1, 1864, being $18,384 76 more than the balance as exhibited on October 1, 1863.

The report of the Commissioner of Public Buildings presents many details of interest to the citizens and residents of this District, and contains information in respect to the manner in which various appropriations for local purposes have been applied. The condition of the streets and avenues of Washington city is a matter of frequent and just complaint. The United States has never assumed any general jurisdiction of the subject, although appropriations for improving the avenues have been frequently made.

The city authorities, apparently relying upon the liberality of Congress, have abstained from making expenditures in improving and opening streets commensurate with the constant increase of population and business. This state of affairs is likely to continue until a definite arrangement is established between the government and the city in relation to the matter under consideration. I therefore renew the recommendation made last year, that street commissioners should be appointed to determine the description and extent of the annual repairs and improvements to avenues, streets, and alleys; and that the funds requisite should be provided by the United States and the city in proportions to be fixed by law. The property-holders of Washington, moved by a just pride in the prosperity and beauty of the city, will not hesitate to tax themselves liberally to maintain a constant and efficient system of street improvement. The present rate of municipal taxation, for all purposes, is about one per centum on real and personal property, which is less than is paid in any other city with which I am acquainted. The tax-payers here are not charged with the expense of maintaining a State government, or those institutions of a benevolent character which are usually sustained by other communities, and they will not shrink from taxation for local purposes, when their property is yielding a rate of income equalled in few other cities and towns of the country. The propriety of these remarks is still more apparent, when it is considered that the expenses of the judicial tribunals for both civil and criminal business, and of the police force, are principally paid by the government, and are not charged to the property-holders of the city or District. Recognizing, however, the duty of the government to make provision for the improvement and repair of streets extending through public grounds, and to aid in keeping in a suitable condition such as are in front of the public buildings, I would respectfully recommend that provision be made by

Congress for paving F street, between 7th and 9th streets. The Nicholson pavement, by reason of its durability, smoothness, and elasticity, has met with marked favor. In view of the probability that measures will be adopted by Congress providing some plan for suitably paving Pennsylvania avenue, and other principal thoroughfares of the city, I have obtained an estimate of the expense of laying the Nicholson pavement in F street, along the southern front of the building occupied by this department.

By joint resolution No. 56, of June, 1864, the Secretary of the Interior was, among other things, directed to "prevent the improper appropriation or occupation of any of the public streets," &c., in the city of Washington. One of the objects of this resolution evidently was to prevent the re-building of the Centre market-house upon its present site. Notice was accordingly given to the authorities of the city to desist from the erection of the building that had just been commenced, and they thereupon suspended the work upon it. The authorities manifest a commendable disposition to make this necessary improvement in such place and manner as will meet the approbation of Congress.

The substantial and rapid progress of the city for the last three years, its increasing and energetic population, and the certainty of its future prosperity, evince the importance of immediate action, having for its object the improvement of its sewerage, the cleansing of the canal—so as to correct, as far as possible, its present unwholesome and offensive condition—and the adornment of the streets and public grounds, thereby making the metropolis of the nation healthy and attractive. To that end, in addition to the suggestions contained in my last annual report, it is recommended that Congress provide by law for the removal of the Centre market-house from its present site, and the extension of the Smithsonian grounds to Pennsylvania avenue. It is also advised that the public reservations bordering on the canal and adjoining the Smithsonian grounds be added thereto. The enlarged area which the proposed change would give to these grounds, their adornment by the planting of trees and shrubbery, and the erection of fountains, would add greatly to the comfort, health, and pleasure of a populous portion of the city, and be most agreeable and attractive to transient visitors. The space occupied by the canal from 7th street to 6th street and the contiguous reservation would afford ample room for the market-house. The expense of making this space available is not worthy of consideration, in view of the substantial benefits to be obtained by extending the Smithsonian grounds to the avenue. It is believed that Congress may, without interfering with any right of the city of Washington, make such disposition of the canal as it shall deem proper; and if it should be determined to extend the sewer, now being constructed through the botanic garden, along and in the canal to the river, and to fill up the residue of the canal, there can be but little doubt that the grounds thus reclaimed for building and other useful purposes will be equal in value to the expense of this improvement.

The approaching completion of the Capitol, under the direction of the architect, Mr. Walter, imparts much interest to his report upon that and kindred

subjects. Accompanying it are plans and drawings of the surrounding grounds which he proposes to add to those of the Capitol, in order to render them, in his opinion, reasonably spacious and suitable to the building. His views appear to me to be correct and judicious. They do not require the purchase of any private property; and should they be adopted by Congress, it is recommended that measures be taken and the necessary appropriations be made to grade, embellish, and enclose the grounds.

Owing to the increased cost of construction, additional appropriations for the completion of the work are necessary. I refer to the report of the architect for particulars upon this subject.

The east and west wings and the north front of the building occupied by this department have never been thoroughly repainted since their erection. The pavements of the corridors in the south front, now much worn, and partly laid with bricks, should be relaid with marble, so as to conform to those in the newer portions of the building. For these purposes an estimate for an appropriation has been submitted.

The work upon the Potomac dam and Washington aqueduct, authorized at the last session, has been prosecuted with all practicable despatch. The extreme scarcity of skilled labor and well-known local causes have, however, seriously impeded its progress, and its condition is not so far advanced as was confidently anticipated. An appropriation of fifty-one thousand nine hundred and forty-five dollars ($51,945) is required to pay for the work now under contract, and which should be completed before the close of the present fiscal year. The report of the engineer contains full information in regard to the expenditures hitherto made, as well as those that will be required to finish the aqueduct in a proper manner.

The ninth annual report of the Board of Visitors of the Government Hospital for the Insane shows that the institution has rendered very valuable service to the country during the past year. The whole number of patients under treatment during the year ending June 30, 1864, was 787, of whom 565 were from the army, 35 from the navy, and 6 were rebel prisoners. The number of patients remaining at the end of the year was 351, of whom 191 were from the army, 18 from the navy, 4 from the rebel army, 2 from the Soldiers' Home, and 136 from civil life. The number discharged during the year as "recovered" was 288, "improved" 69, "unimproved" 5, deceased 74; total 436. The financial exhibit made by the board in their report is satisfactory. The extended service performed has necessarily involved an expenditure somewhat beyond the appropriation. The deficiency will, I doubt not, be supplied by Congress. The report of the superintendent, points out the improvements upon the buildings and grounds that are deemed desirable.

The Columbia Institution for the Instruction of the Deaf and Dumb and the Blind appears, from the annual report of the board of directors, to be in a prosperous condition. The honorable Amos Kendall, to whose liberality and philan-

thropy it is indebted for its existence, retired from the presidency thereof some months since, and was succeeded by Mr. E. M. Gallaudet, its former efficient and accomplished superintendent. A collegiate department for the deaf and dumb has been inaugurated under the recent act of Congress authorizing the board to confer degrees. The Potomac water has been conveyed to the premises, but the arrangements for lighting the building with gas have not been completed. The appropriation of $26,000 made at the last session of Congress for enlarging the grounds has been expended in the purchase of nearly fourteen acres contiguous to the former premises on the north and west. The number of pupils on the first day of July, 1863, was 52, and on the first day of July, 1864, 58. During the year, 81 have received instruction, of whom 72 were mutes, and 9 blind; and at the date of the report there were 73 pupils.

The State of Maryland having established an institution at Baltimore for the blind, the board has expressed the opinion that the blind of this District, on account of their small number, could be better instructed at Baltimore, and has recommended that their transfer to and support in that institution be sanctioned by law. This recommendation is submitted to the consideration of Congress.

The report of the president of the board of police commissioners, prepared in obedience to the requirements of the 4th section of the "act to create a metropolitan police district," &c., gives information in respect to the service performed by the officers and men during the past year. The number of patrolmen is one hundred and fifty, officered by a superintendent and ten sergeants. The police district embraces about seventy square miles, with a population of 150,000 or 160,000 souls. The number of arrests made during the past year was 23,545; of those thus arrested there have been committed to jail 1,010; given bail for appearance at court, 586; turned over to military authorities, 2,271; committed to the workhouse, 1,223; entered into bond to keep the peace, 710; punished by fine, 8,743; other punishment of a light nature, 343; dismissed, 7,757; cases of which final disposition was not reported, 902. The fines imposed amount in the aggregate to $33,197 50. The police force during the same time has furnished lodgings to 2,483 destitute persons found in the streets and highways, restored 102 lost children, and assisted to carry 170 disabled persons to hospitals, besides taking up estrays, giving fire alarms, and attending to many other similar duties. A detective corps and a sanitary company have been in successful operation. During the year a fire-alarm and police telegraph has been erected. This will prove to be of very great value in rendering the police force more effective, and in insuring the safety of property against the ravages of fire and the dangers of riot. It is believed that after this telegraph has been used for a few months, and the members of the police have become familiar with the very many uses to which it may be applied, the necessity of an increase in the number of policemen will not be felt as heretofore. I respectfully recommend that an appropriation be made by Congress to meet the expense incurred.

The warden of the jail in the District of Columbia, appointed by authority of the act of Congress approved February 29, 1864, entered upon his duties on the 11th of April last. The average number of prisoners since that time has been about one hundred, though occasionally much greater. The jail has become dilapidated and insecure, and a new and more spacious one should be erected. This recommendation has been submitted by my predecessors for several years past, and at one time the Senate called upon this department to furnish a plan and estimate for this object. Congress, however, has never authorized the erection of such a building. The necessity for it increases with the increase of population and of transient sojourners in Washington, and is undeniably much greater to-day than heretofore. I have considered carefully the suggestion of the warden, that ample means for the construction of such a building might be obtained by the sale of the vacant square on which the jail now stands. This square, so near to the Capitol and Smithsonian grounds, will not be necessary for beautifying the city, or for affording it ample ventilation. According to an estimate which has been submitted to me, it contains 435,286 square feet of ground, which, if laid off into lots and sold, would at present prices command a large sum. The new jail might be located upon the square on which the City Hall stands, in the rear of that building. If erected after the most approved modern plan, it would not prove detrimental to private property, whilst the erection of dwellings or buildings for business purposes, upon the square, which it is proposed to sell, would tend greatly to enhance the value of private property in the vicinity. The warden of the jail, and the grand jury that served at the June term of the court, as well as the police commissioners, have called attention to the large number of juvenile offenders in the District, and to the great impropriety of incarcerating them with veterans in crime Youths so treated are often discharged from jail more depraved than when they entered it. The recommendation made last year in favor of the erection of a house of correction for such offenders is respectfully renewed. It should be so regulated as to combine punishment with means of instruction and reform. The necessity for the erection of a penitentiary in this District was fully set forth in the last annual report of this department. Additional force cannot be given to the recommendation then made by a repetition of the views therein presented.

The clerical force engaged in the compilation of the statistics of the census becomes gradually less with the progress of the work devolving upon it, and its duties should be completed at an early period. The volume on population has been printed and distributed, and meets with favor throughout the country. That on agriculture is nearly ready for distribution, and the subsequent volumes will appear in succession; the whole presenting a complete exhibit of the material interests and progress of the country up to the period of the rebellion.

The numerous demands of States, departments, members of Congress, and individuals for statistical information, illustrate the importance of the organization of a permanent bureau of statistics, heretofore recommended to Congress.

The maintenance of such a bureau, charged, among other duties, with that of compiling the census returns and superintending the publication thereof, will not, it is believed, cause additional expense to the government.

The building occupied by the United States for the use of its courts in the city of New-York is held under an expired lease. Notice has been given by the lessors that it is their intention to sell the premises as soon as the fair value can be obtained therefor. The attention of Congress to this subject is earnestly solicited, and an appropriation is recommended adequate to the purchase of a building adapted to the service.

The enforcement of the measures adopted by Congress for the suppression of the African slave trade has been followed by the most auspicious results. It is believed that in no port of the United States has a vessel been fitted out to engage in that nefarious traffic. Several prizes have been taken before the mixed courts of justice sitting at Sierra Leone and the Cape of Good Hope, but the result has not yet been communicated to the department.

I am, sir, respectfully, your obedient servant,

J. P. USHER, *Secretary.*

To the PRESIDENT *of the United State.*

REPORT OF THE COMMISSIONER OF THE GENERAL LAND OFFICE.

GENERAL LAND OFFICE,
October 3, 1864.

SIR: During the fiscal year ending June 30, 1864, and the quarter terminating on the 30th ultimo, there has been marked improvement in public land operations in comparison with the period of the last annual report.

Nothing is more illustrative of the energy of our people than the fact that whilst in the midst of the depressing circumstances growing out of domestic commotion, agitating the country from centre to circumference, the arts of peace, with those of war, have been in process of active development.

The farming interest has done its share. Husbandmen have given their labor to agriculture, economizing force, directing it with increased industry and vigor, and by improved methods have brought from the earth abundance, feeding not only the marshaled hosts of a million and a half of armed men, but also the multitudes of our citizens in other pursuits, and yet with a surplus; in all this, laying the solid foundation of individual and public prosperity.

It is an obvious historical fact, that where the people are poor, the government is so; but where they are industrious, thrifty, their labors directed to agriculture, mechanic arts, and commerce, the three elements of prosperity, the aggregate individual wealth necessarily creates national prosperity and power.

The multitude of men withdrawn from civil pursuits by the pending struggle is without precedent in modern times, even in the wars of the French revolution; the actual number of combatants being greater than the whole population, men, women, and children, of Denmark proper, the political relations of which have occupied, recently, so large a share of the attention of Europe. Yet new fields have been opened in the public domain, domestic and foreign trade quickened; the former through rivers, canals, and railways, the latter by the mercantile marine, defying the perils of war in pursuing the channels of foreign trade, carrying our exchangeable commodities around this continent, to European ports, and to the Indian and Chinese seas.

The most extended empire of the ancient world, after a thousand years, reached the zenith of its greatness in the early ages of the Christian era, with a territory of sixteen hundred thousand square miles. The American Republic, dating its existence from 1776, has extended its vast outline so as to include three and a quarter millions of square miles, equal, not in *geographical*, but in *arable* extent, to the wide dominions of the British Empire. Its original limits, as acknowledged by the definitive treaty of peace in 1783, enlarged by the treaty of 1803 with France, of 1819 with Spain, better defined at certain points by the treaties of 1842 and 1846 with Great Britain, again enlarged by treaty of 1848 with Mexico, of 1853 with that power, *all* give us an outline from ocean to ocean, from the great lakes to the Gulf of Mexico and the tropics, comprehending a geographical surface of the extent stated, and embracing within those limits a public domain of over one thousand four hundred and fifty millions of acres.

Our government has thus far disposed of large bodies of these lands on the most liberal bases; by credit sales—afterwards repealed and the cash system permanently established—by conceding pre-emptions, by donations, by school grants—16th and 36th sections in place—by 500,000-acre internal improvement grants to each State, by grants for colleges, universities, for canals, railroads, for services in the war of the Revolution, of 1812 with Great Britain, of 1847 with Mexico, and in Indian wars of later date, and yet possesses over one thousand millions of acres, embracing every climate of the temperate zone.

The extensive details connected with this subject for years prior to the present fiscal one are presented in past annual reports; those for the period which has elapsed since June 30, 1863, being as follows:

	Acres.	Cash rec'd.
For the year ending June 30, 1864, there were sold for cash	432,773.90	$678,007 21
For the quarter ending September 30, 1864, (part estimated)	140,407.54	200,926 92
	573,181.44	878,934 13
To which add cash paid into the treasury on account of 9,398 entries under the homestead act of May 20, 1862	.....	93,980 00
On account of commissions on homestead entries	.....	20,442 75
On account of fees paid for bounty land locations	.....	12,381 60
On account of commissions on agricultural scrip located	.....	5,387 96
On account of fees paid for pre-emption and donation claims	.....	8,320 00
Making amount paid into the treasury from June 30, 1863, to September 30, 1864		1,019,446 44

BOUNTY LAND WARRANTS.

There were located during the year ending June 30, 1864	515,900.00
For the quarter ending September 30, 1864, (part estimated)	125,000.00

SWAMP LANDS.

No selections approved from June 30, 1863, to September 30, 1864.

RAILROADS.

There were approved to the several States for railroads during the year ending June 30, 1864	857,180.87
For the quarter ending September 30, 1864	361,291.72

HOMESTEAD ACTS OF MAY 20, 1862, AND MARCH 21, 1864.

There were entered, under the homestead acts, during the year ending June 30, 1864	1,261,592.61
For the quarter ending September 30, 1864, (part estimated)	277,021.64

AGRICULTURAL SCRIP.

There were located with agricultural scrip, during the year ending June 30, 1864	214,418.14
For the quarter ending September 30, 1864	35,756.00
Total cash paid into the treasury	$1,019,446 44

Total number of acres disposed of from June 30, 1863, to September 30, 1864	4,221,342.42
The aggregate quantity of surveyed lands offered and unoffered and undisposed of on September 30, 1864, was	133,517,587.00
Consisting of offered lands	82,641,469.00
Unoffered	50,876,118.00

PRIVATE TITLES DERIVED FROM FOREIGN GOVERNMENTS CLAIMED UNDER FOREIGN TREATIES.

In the elder portions of our territorial acquisitions from France and Spain, embracing the ancient province of Louisiana and the Floridas, such titles were scattered all over the most important localities, and for the last sixty years have engaged the attention of different tribunals under authority of Congress to pass upon their validity, thereafter it being the duty of the General Land Office to have the recognized grants properly segregated.

The same policy has obtained respecting California, where Spanish and Mexican titles have been granted upon a most extensive scale. The act of 3d March, 1851, created a board of land commissioners for the adjudication of this class of claims, authorizing appeal to the district courts, and thence to the Supreme Court of the United States. In the earlier period of our administration, in dealing with these titles, (by issuing complete patents,) it was the practice, after judicial confirmation of the claim, for the department finally to determine the *locus* and survey, as preliminary to the issue of the United States relinquishment patent. The exercise of this power, however, was arrested by the act of Congress, approved 14th June, 1860, defining and regulating "the jurisdiction of the district courts of the United States in California in regard to the survey and location of confirmed private land claims." The effect of this measure was, in fact, virtually to withdraw, to a great extent, from the Executive the duty of making a summary determination as to such surveys, and, of course, held the issue of patents generally in abeyance until parties might intervene through the instrumentality of the courts. By the law, passed at the last session, approved 1st July, 1864, to "expedite the settlement of titles to lands in the State of California," the power as to prospective cases has been restored to the executive department. Since the commencement of operations respecting Spanish and Mexican grants in California, to the 30th September, 1864, returns of surveys, with judicial transcripts have been received at the General Land Office for confirmed ranchos equal to $3{,}366{,}974\frac{26}{100}$ acres, for which United States patents have already been issued embracing $2{,}430{,}906\frac{60}{100}$, covering more than two thousand folio pages of records

Before the full tide of emigration sets into New Mexico and Arizona, it is of the first consequence that the extensive and indefinite grants in those regions should be passed upon finally, in the way of confirmation or rejection, and to this end it is recommended that definitive legislative measures be prescribed. Timely action, in this respect, will be only a sheer act of justice to *bona fide* claimants—to our government, in disencumbering the public lands of invalid claims, thereby enabling the Executive, when demand for land arises, to proceed in the disposal of the public domain with the certainty of giving undisputed titles.

The evidences of right to donation claims in the State of Oregon and Territory of Washington, founded on actual settlements, have reached this office, numbering over three thousand cases. For part of these, patents have been issued, and for the residue will be despatched in regular order of business.

By the act of Congress, approved 27th June, 1864, to "carry into effect a treaty between the United States and her Britannic Majesty for the final settlement of the claims of the Hudson's Bay and Puget's Sound Agricultural Companies," authority is given for the appointment of commissioners "to adjust and determine the claims" of the Hudson's Bay and Puget's Sound Agricultural Companies, thereby placing these long unsettled matters in train of adjustment so that the department, after final proceedings, will be enabled to deal with the public lands in that region of our country without danger of conflict.

THE PUBLIC SURVEYS.

By the act of Congress, approved 30th May, 1862, for reducing the expenses of the survey and sale of the public lands, it is declared that the printed Manual, dated 22d February, 1855, the instructions of the Commissioner, and of the surveyor general, the latter when not in conflict, "shall be taken and deemed a part of every contract for surveying the public lands of the United States." That law further stipulates that no surveying contract shall be binding until approved by the Commissioner, or made by him exceptional; that he shall also fix the price per mile for surveys, not to exceed the legal maximum; that those for confirmed private land claims shall be paid for by claimants; and that, where settlers in any township may desire a survey, within the regular progress of operations, it may be done at their cost.

Orders have been given to give effect to these provisions, and special circular of instructions, bearing date 1st June, 1864, has been issued, supplemental to the Manual, in which, among other details, the *condition* in this service is made *absolute*, that, in *all* cases, the work shall be done by the *deputy surveyors in person;* regulations are also prescribed as to the mode of proceeding where surveying is to be done at cost of applicants; the steps to be taken in obtaining the survey of small islands are indicated, with the course to be pursued in regard to surveys in connexion with swamp lands and certain classes of rivers and lakes.

In the State of Wisconsin, the field-work, under contract for the last fiscal year, has been completed, the lands abounding in pine timber with numerous lakes. Contracts for the present year have been made to the extent of the $40,000 appropriation, in order to establish the lines of the portion of the State now unsurveyed, lying south of the boundary dividing Wisconsin from Michigan, and east of the fourth meridian. When the work is finished, under these contracts, the surveying in Wisconsin will be completed, a few townships excepted, for which $6,000 estimate has been submitted, one-third of which is designed for the incidental expenses of the surveyor general's office at Dubuque for fiscal year ending 30th June, 1866. After the expiration of that period, the surveyor general's office for the surveying districts of Wisconsin and Iowa may be closed, and the archives in readiness for transfer to the respective States.

In Minnesota, surveying operations embrace localities east and north of "Mille Lacs." The lands were found to be swampy, abounding in pine and fir timber, the surveys consisting of the extension of the tenth parallel north, the third guide meridian west, and in township and sectional lines embracing nearly six hundred thousand acres.

In Kansas, the sums appropriated have been expended on surveys which extend to localities in the northern part of the State, about forty-four miles south of Fort Kearney, and consisting of standard, parallel, township, and subdivisional lines embracing nearly seven hundred thousand acres, the region of these surveys having been selected in view of the obligations of the government growing out of the Pacific railroad grant.

In Nebraska, the appropriation has been expended in surveying township and subdivisional lines, also in the vicinity of the Pacific railway, in the south-

ern part of the Territory, twenty miles south of Fort Kearney, and embraces over seven hundred and thirty-three thousand four hundred acres.

The surveyor general for the district of Kansas and Nebraska has made contracts for the present year for surveys in Nebraska to embrace the regions near the head-waters of Big and Little Blue rivers and between the Platte and Republican rivers in southwesterly direction from Fort Kearney, and in Kansas for surveys on the Solomon fork, Prairie Dog creek, and Smoky Hill fork. The service, however, has been interrupted by Indian hostilities.

In Dakota Territory, the surveys for the last fiscal year were restricted to the region south of 43° 30′ north latitude, and between the Big Sioux and Dakota rivers, embracing the extension of the base line on that parallel west to the intersection of the Dakota river; the township and subdivisional work covering over four hundred and ninety-five thousand acres; the contract for the present year comprising the subdivision of eight townships on the Big Sioux river, north and east of Sioux Falls city.

In Colorado Territory, the returns of surveys for the last fiscal year consist of correction, parallel, township, and sectional lines, with fifty miles of private grant, embracing over four hundred and thirty-one thousand acres of public lands, also ninety-two thousand two hundred and ninety-two acres in the fourth location of the Los Vejas grant, as confirmed by act of 21st June, 1860, to the heirs of Luis Maria Baca, the premises formerly falling within the limits of New Mexico, but now of Colorado.

Under the appropriations for the year ending 30th June, 1864, for California and Nevada, the surveys in the former were made chiefly on the eastern slope of the Sierra Nevada, north of the Truckee, and in the immediate vicinity of Honey lake. The surveyor general, in the contract with his deputy for the surveying extension across these mountains, authorized the establishment of the fourth standard parallel on the eastern slope thereof, by means of traverse lines instead of the continuance of the extension of that parallel, in *place*, from its former terminus in range 4 east, such continuance having been found impracticable, owing to the precipitous character of the mountains; and as existing laws make no provision for offsets or traverse along mountains, no payment has been made to the deputy for 52 miles $38\frac{39}{100}$ chains, incident to this service—the matter being consequently submitted for congressional consideration.

The surveying in California, for the period in question, embraces, in standard parallels, township, sectional, and meander lines, nearly two hundred and fifty-nine thousand acres; and of private claims, at the expense of parties covering 92,292 acres.

The surveys in Nevada have progressed along the line of the Pacific railroad on the Truckee river, in the vicinity of the eastern boundary of California, mainly in the Humboldt River valley, north of Lake Humboldt. This latter region being remote from the standard lines, the extension of which, *in place* was found impracticable, the late surveyor general gave instructions to his deputy to establish the sixth standard parallel north by offsets or traverse lines, as a basis for starting subdivisional surveys in that locality. In furtherance of those instructions, the deputy traversed the country from the Carson river guide meridian, in range 20 east of the Mount Diablo meridian, to the line between townships 28 and 29 north, of range 31 and 32 east. This work being unauthorized by the surveying laws, and amounting to 115 miles $75\frac{55}{100}$ chains, has been disallowed, and the surveyor general so informed, in order that the deputy may seek relief from Congress. The extent of the surveying service in Nevada, under the superintendence of the late surveyor general of California and Nevada, embraces, in standard parallels, township and subdivisional lines, 269,849 acres.

The Territory of Nevada, under the provision of the 8th section of the act approved July 2, 1864, (Statutes at Large, p. 352,) was detached from the surveying district of California and Nevada, and made part of that of Colorado.

The surveying archives have not yet been transferred from San Francisco to Denver City, Colorado. The surveyor general at the latter place has consequently, not been able to enter into contract for the survey of public lands in Nevada during the present fiscal year, for which $20,000 were appropriated; nor will he be able to contract the present year for any survey in Nevada, except in the valley of the Truckee river, which has been specially authorized for Indian purposes, as mentioned elsewhere in this report.

In New Mexico, owing to the disturbed condition of the country, growing out of warlike operations against the Navajo and Apache Indians, no surveys could be prosecuted, and consequently no contract, during the past year, has been made for surveys in that Territory.

In Arizona, the surveyor general reported his arrival at Tucson on the 25th January, 1864, when he opened his office. Owing to the lateness of the season, no surveying has been undertaken under the appropriation of $5,000 for the last fiscal year. At the expiration of that period the surveying district of Arizona was consolidated with that of New Mexico, of which it had formed an integral part prior to the 24th February, 1863, the date of the organic act creating the surveying district of Arizona. Under the provision of the 8th section of the act approved July 2, 1864, consolidating Arizona and New Mexico, at the expiration of the official tenure of the surveyor general for the former by *limitation* on the 4th of July last, instructions were issued on the 18th of the same month directing the late surveyor general of Arizona to close his office and transfer the archives to the surveyor general at Santa Fé, New Mexico.

In Oregon, the surveying service during the last fiscal year was prosecuted to the extent of $10,000, the means appropriated by Congress for that period, and additional $5,000 for the previous year, which had not been expended, because competent serveyors could not be had at the rates then allowed, on account of the high cost of living consequent upon rapid immigration. The whole amount of means placed to the credit of the surveyor general has been applied to the survey of the public lands on the headwaters of the Powder and Grand Ronde rivers, in the eastern portion of the State; the returns of field-work already made covering nearly one thousand lineal miles of surveying, embracing over 224,000 acres.

Since the foregoing was written, advices have reached the General Land Office, showing that the United States astronomer and surveyor employed for the purpose has determined, surveyed, and marked that portion of the 46th parallel of north latitude included between the Columbia and Snake rivers, and forming the boundary between the State of Oregon and Territory of Washington.

In Washington Territory surveying operations were prosecuted during the last fiscal year to the extent of the appropriation of $10,000, the surveys embracing 137,579 acres in Takama River valley, near the confluence of Takama with Columbia river and in Snake River valley.

The work under contract for the establishment of the common boundary between Oregon and Washington, on the 46th degree north latitude, from the Columbia to Snake river, under special appropriation of $4,500 per act of Congress of June 25, 1860, has been prosecuted by Daniel G. Major, astronomer and surveyor.

The progress made in the survey, as officially reported by him on the 20th January last, consists of a series of astronomical observations on Cottonwood creek, the intermediate station, which was definitely established. From this point he traced the boundary west thirty-five miles to the Columbia river, and fixed an initial station for astronomical determination. The boundary was prolonged east of Cottonwood Creek station six miles to the Blue mountains, the extremely rugged character of the country between those mountains and the Snake river, the terminus of the boundary, over which an actual reconnoissance was made, having rendered it impracticable to prosecute the survey during the winter, compelling the surveying party to seek winter quarters. The astrono-

mer reports further, that with the arrival of the spring, and more favorable season, the work would be resumed and completed.

The lines of the public surveys which have been established during the fiscal year ending 30th June, 1864, in the regions mentioned in the foregoing, cover, in the aggregate, an extent equal to 4,255,990 acres of public lands, and of 149,974 acres embraced in confirmed grants.

Existing legislation, in its *general* application, does not authorize the establishment of surveying corners at less intervals than half a mile, nor meanders at the base of abrupt and impassable mountains. Experience suggests, and this office recommends, authority of law for the departure from the rectangular system in such anomalous cases, the modification to extend to isolated valleys, or lands or water-courses where ancient custom, actual settlements, or the public interest may require, precedent for which may be found in the principle sanctioned by Congress in the act of 3d March, 1853, for surveys in California and other purposes.

The reports herewith of the surveyors general, received after the foregoing was prepared, are referred to for details, some of which are of special interest.

SETTLERS UNDER THE HOMESTEAD ENACTMENTS.

By the act of Congress approved 21st March, 1864, supplemental to the homestead law of 20th May, 1862, the benefits of the original measure have been so extended as to be available to persons absent on duty in the land or naval service of the United States, and, to facilitate operations under this legislation, circular letters of regulation, with requisite forms of proceedings, have been despatched to the proper local offices and widely disseminated.

The second proviso of the 2d section of the act of 20th May, 1862, in the case of orphan infant heirs, authorizes the executor, administrator, or guardian to sell for the benefit of such heirs. It is suggested that authority of law should be given making it optional either to sell or commute under the 8th section.

Questions have been raised as to whether a married woman, during recognition of the conjugal relations, can enter land under the homestead law, which provides that "all persons who have arrived at the age of twenty-one years" shall enjoy the privilege of entry. In the ruling of the General Land Office it is held that a married woman has no legal existence, her services and the proceeds of her labor being due and belonging to her husband; hence, although "arrived at the age of twenty-one years," she can *per se* do no act that will not enure to the benefit and use of her husband; that if permitted to enter land because of having arrived at twenty-one years of age, the legal restrictions growing out of her matrimonial relations would at once be violated. The same objection arises should she claim as the "head of a family," as the husband is the "head" during the existence of the marital tie; but that in cases where the husband is *non compos mentis*, or imprisoned for life, or abandons his family, the wife would be considered, *de facto*, the "head of the family," and would be entitled to entry, but not otherwise; that the privilege of entry granted to persons "arriving at the age of twenty-one years" has reference solely to unmarried persons, and that all persons who have individuals dependent upon them and under their control, married or unmarried, come within the meaning of the terms "head of a family," and are entitled to make entry.

The pre-emption enactments have become an established system in the disposal of the public lands. They hold out strong inducements to the home settlers and to emigrants, as they can take their choice of localities, even in advance of the public surveys, and under existing legislation have a credit, not only until after survey, but for the indefinite time which may elapse to the period fixed for a public sale of the bodies of lands embracing such settlements. Whilst it is the purpose of legislation to deal with the settler in a liberal spirit,

and to secure him in his rights, sound policy requires that the privilege should be shielded from abuse by statutory amendments in this, that the settler upon lands subject to entry at private sale shall be required to reside continuously the whole twelve months upon his tract, and that those upon surveyed unoffered lands shall be required to prove up within one year from date of settlement where, at the time of such settlement, the land was surveyed, but where not surveyed until after settlement the claim shall be established and paid for within a year from the return of the official survey to the district land office.

TOWN SITES.

Under the act of Congress, approved 3d March, 1863, "for increasing the revenue by reservation and sale of town sites on public lands," and the order of the President for survey and sale in the case of the Los Angelos reserve, on the Straits of Juan de Fuca, in Washington Territory, an appraisement was made of the urban and suburban lots in the town site of said reserve by disinterested persons. Thereafter a public sale was ordered, and held on the 4th May, 1864, at the custom-house at Port Angelos, reserving certain lots and blocks for public uses. The sale was conducted by the register and receiver of the land office at Olympia, who have made returns, including subsequent sales at private entry up to the close of the month of May, 1864, from which, it appears, there were sold 27 urban lots for..... $1,780 00
And 11 suburban for..... 2,790 25

Amounting, in the aggregate, to..... 4,570 25

Leaving unsold, and subject to private entry, at the minimum appraised value, 731 urban lots, and 41 suburban and fractional blocks and lots, the suburban having been appraised at from $15 to $25 per acre, and the urban at an average value each of $40.

HARBOR ON OREGON COAST.

On the 14th August last, this office laid before the Secretary a communication dated at Corvallis, Oregon, respecting the discovery of a harbor on the coast, directly opposite the centre of Willamette Valley, and recommended that a town-site be laid out and opened for sale by the government, the locality of the newly discovered harbor being represented as affording peculiar advantages for the rapid building up of a town. At the same time it was suggested that a site of suitable size be set off and surveyed into lots under the laws of March 3, 1863, and July 1, 1864; and although the proposed town site would fall within an Indian reservation, no difficulty was apprehended in making an arrangement satisfactory to the Indians in carrying out a measure so important to all concerned.

The Secretary, however, as preliminary to definite action in that respect, has deemed it proper to call for a report from the superintendent of Indian affairs, whilst, in the mean time, the premises are protected by the Indian reservation from ordinary settlements and claims.

MEASURES IN REGARD TO MUNICIPAL SETTLEMENTS, AND THE DISPOSAL OF COAL BEDS AND COAL FIELDS.

By the recent act of Congress, approved 1st July, 1864, for the disposal of coal lands and town property on the public domain, a most important legislative step has been taken in facilitating municipal settlements. This statute repeals the old town-site law of 23d May, 1844, which restricted municipal pre-

emptors to 320 acres; it enlarges the extent of such locations to 640 acres; authorizes the survey of the same into streets, squares, blocks, lots, and alleys; and, upon the filing of map of the city or town, properly verified, authorizes the sale of the lots, which are of liberal size, to the highest bidder, subject to a minimum of $10 per lot. The statute further concedes to the actual settler a pre-emption on the lot on which he lives, at that rate, and a like privilege to an additional lot on which he may have substantial improvements, yet confers discretion on the Executive to increase or lessen the minimum, after notice, according to circumstances; and where there is a failure of parties to file the requisite map within a limited period, enables the department to take the initiative and add fifty per cent. to the minimum.

This measure will be of signal advantage to the advancing town settlements which are everywhere growing up around and in the vicinity of the mines of the precious and useful metals, and of coal beds. Under the former policy no title could be secured to town property on the public lands until the locality had been embraced by the general system of public surveys, which, in multitudes of cases, for years would not be reached. The present system is quite up to the wants of the age in this respect, and will enable municipal settlers speedily to secure perfect titles to the premises coming under this legislation. Instructions, to aid the object of the law, have been despatched, not only in regard to its municipal privileges, but also to give effect to the other provisions of the statute in regard to coal beds, and thus enable individuals to secure titles to this class of lands, and at the same time to make them a source of revenue under the law.

COLLEGE GRANT TO THE STATES FOR THE BENEFIT OF AGRICULTURE AND THE MECHANIC ARTS.

Under the act of Congress approved July 2, 1862, the loyal States accepting the grant, as heretofore reported, are entitled as follows:

Those States having public lands within their limits have the right to select in the aggregate 1,500,000 acres.

Those not having public lands are entitled to 5,280,000 acres of land scrip, to be located by the assignees of such States.

Up to the 30th of September, 1864, the following States have accepted:

1st. States in which the selections under the law are to be made from public lands within the limits of such States respectively.

2d. States to which the law requires that scrip shall issue, and thereafter to be disposed of by said States to assignees.

Area of selections to be taken in the limits of each State.

Iowa	240,000
Kansas	90,000
Michigan	240,000
Minnesota	120,000
Wisconsin	240,000
Acres	930,000

Acres of scrip to which these States are severally entitled.

Rhode Island	120,000
Illinois	480,000
Kentucky	330,000
Vermont	150,000
New York	990,000
Pennsylvania	780,000

New Jersey	210,000
Massachusetts	360,000
New Hampshire	150,000
Connecticut	180,000
Maine	210,000
Maryland	210,000
Ohio	630,000
West Virginia	150,000

The aggregate State selections which have been reported to the General Land Office under the first head equal 593,194.74 acres.

Scrip has been made out and issued for all the above-mentioned States.

On the back of each piece of scrip is printed the form of assignment to facilitate transfer.

The number of pieces issued since the commencement of operations under this law to September 30, 1864, is 30,933, embracing aggregate acres 4,950,000, the said scrip requiring 125 folio volumes of records, thus completing the whole of this business to present date, so far as the issue of scrip is concerned.

Irregularities having arisen in regard to the location by assignees of the scrip under this law, a circular was issued under date June 17, 1864, to the United States registers and receivers, in which attention is directed to the requirements of law as follows:

That the scrip may be located by the assignees upon any vacant unappropriated public lands of the United States, subject to entry at private sale at $1 25 per acre, with the proviso in the second section of the act "that not more than one million acres shall be located by such assignees in any one of the States."

That the said act, our original instructions of May 4, 1863, and the scrip, pointedly on its face restrict the location to "one quarter section," a subdivision which, in the language of a former Attorney General, is "never used in any of the acts of Congress to denote merely the quantity of 160 acres, but is always intended to describe a parcel of land containing 160 acres, which has been set apart and designated by the proper officer of the government as a quarter section, according to the act of Congress prescribing the mode of surveying and dividing the public lands." Hence the location of scrip upon 40 or 80 acre tracts which are contiguous and form a compact body of 160 acres, but not in the same quarter, is not admissible, and must be rejected. Scrip, however, where a full "quarter section" is not selected, may be located on any one legal subdivision less than "one quarter section" where such location is taken in full for "one quarter section." These are the words expressed on the face of the scrip itself.

That the location of this scrip on "mineral lands" is forbidden by law, and any such selections must be rejected.

That this scrip is not receivable for pre-emptions, nor in payment of double minimum lands.

In May last the monthly returns reached here from the district land offices for the upper peninsula of Michigan, showing that in the mineral region, in the Marquette district, the register and receiver had admitted locations covering $50,888\frac{12}{100}$ acres with agricultural college scrip, issued under the agricultural college law of July 2, 1862; Statutes, vol. 12, p. 503, chap. 130.

They were thereupon promptly informed that the law of Congress before them expressly declared "that no mineral lands shall be selected or purchased under the provisions of this act;" also each piece of scrip which the claimant held and surrendered into their hands declared on its face, in italicized letters, "mineral lands excluded," whilst the scrip circular, dated May 4, 1863, on their files, ordered that no mineral lands should be selected; that the locations thus admitted were illegal and invalid, for even if by inadvertence such locations should pass into patent, the same would be void in law and carry no title under the statute.

The register and receiver were further instructed that the locators of these lands might, however, secure title by payment in *cash;* that they must be properly notified to this effect, and that a limited period from the date of notice would be allowed within which to make such payment and receive back the scrip, available for other lands of the class the law contemplated, and that in default of such payment the locations would be cancelled, and the lands offered at public sale to the highest cash bidder, pursuant to special instructions, which would be sent in the eventuality of the parties failing to meet the foregoing requirements.

The locality, extent, and bearing of the mineral region in the upper peninsula are facts of general notoriety and universally admitted. When, therefore, it was attempted to take these lands with an element of value, the agricultural college scrip, that contains an express *interdict* against its location on "mineral lands," there was but one course to take under the law, and that was to cancel the same, yet giving the parties the benefit of their diligence by allowing them, without competition, to purchase the lands with cash, or, in default, to offer them to the highest cash bidder.

In those cases, however, in which the claimants may hold that, although in the mineral region, certain localities are not mineral but "agricultural lands," such cases would, upon due proof, be exceptional, and not remediless under the action of this office; but, on the contrary, on being duly proved to be agricultural and non-mineral, the locations would stand intact and protected under the statute.

Hence we have determined that, should the character of the selection in a given case be disputed, the course of proceeding would be this:

The party alleging the tract is *not* mineral, but strictly agricultural, must file an affidavit to that effect from a respectable and disinterested witness, who must declare in such affidavit that he has made personal and careful examination of the tract in view of the question raised, and finds it not mineral, but strictly arable, and therefore exceptional in regard to the body of mineral lands in the region of said selection. Thereupon this office will order an investigation at the district office into the matter by the register and receiver, who will be instructed to take testimony, cross-examine witnesses, and make a report of the result, accompanied by such testimony, to the end that the department may finally adjudicate such cases and dispose of them accordingly.

MILITARY BOUNTY LANDS UNDER THE SEVERAL LAWS OF CONGRESS.

The aggregate quantity of public lands set apart by Congress for military services is ascertained to embrace, up to September 30, 1864, 65,189,292 acres, which include lands appropriated in satisfaction of services in the revolutionary war, in the war of 1812 with Great Britain, for Canadian volunteers, for the war with Mexico, act of 1847, and under the laws of 1850, 1852, and 1855.

There have been taken under said bounty land acts of 1847, 1850, 1852, and 1855, inclusive, for the year ending 30th June, 1864, 515,900 acres; located with warrants, during the quarter ending September 30, 1864, (part estimated,) 125,000 acres; total, 640,900 acres.

Under said bounty land acts of 1847, 1850, 1852, and 1855, there were issued prior and up to the 30th September, 1864, 539,408 warrants, covering 59,181,950 acres, of which, on the 30th September, 1864, there were outstanding 60,850 warrants, covering 6,448,320 acres.

PUBLIC LANDS ORDERED INTO MARKET SINCE LAST ANNUAL REPORT.

There have been offered at Minneapolis and St. Cloud, Minnesota, under proclamation, dated April 18, 1864...	330,000 acres.
At St. Cloud, Minnesota, under proclamation of July, 1864..	3,312,920 acres.
At St. Peter, Minnesota, under proclamation of August 23, 1864.....	53,972 acres.
Total.....	3,696,892 acres.

Whilst, pursuant to the act of March 3, 1863, orders have been given for the sale in November next of lots in—

1. Fort Howard military reservation, equal to	3,998	acres.
2. Fort Crawford military reservation	198	acres.
Total	4,196	acres.

THE FOLLOWING CHANGES IN LAND OFFICES HAVE OCCURRED:

The Delaware land district office at Atchison, Kansas, was discontinued by executive order, and the vacant lands therein made subject to sale at Topeka, Kansas, the office of the Pawnee district, December 26, 1863.

The office for the sale of public lands in Colorado Territory was removed from Golden City to Denver, by executive order dated June 4, 1864.

As the public land business is nearly wound up in certain States, it is submitted that authority of law should be given to the department in such cases to close the United States local land offices when in the judgment of the Secretary it would be consistent with the public interest, and, in order to guard against any difficulty in dealing with any residue of lands undisposed of, that authority be delegated to the commissioner to discharge the duties now imposed by law on the register and receiver.

FORT HOWARD AND FORT CRAWFORD MILITARY RESERVATIONS IN WISCONSIN.

Fort Howard.—This valuable reservation, lying upon Fox river and Green bay, in the State of Wisconsin, has been surveyed and laid off into lots containing from one to forty acres each, under the special act of Congress approved March 3, 1863.

Public notice has been given for the offering to the highest bidder, for cash, the whole of these lots, together with the fort site of $3\frac{4}{100}$ acres, subject to a minimum price, the total aggregate being $21,922 47, as fixed by the Commissioner of the General Land Office. The sale has been advertised to commence on the ground on Thursday, November 10, 1864, and to be conducted by the register and receiver of the land office at Menasha.

That part of the reservation lying between Duck creek and Beaver Dam creek, not included in the special offering, is to be disposed of at some future period as other public lands, unless taken up in the mean time by pre-emptors.

Fort Crawford.—This reservation, at Prairie du Chien, Wisconsin, has also been surveyed and subdivided, under the same act, into town lots, 80 by 140 feet, with streets 66 feet and alleys 20 feet wide. The whole have been advertised to be offered at public sale to the highest cash bidder, at a minimum price, the aggregate of which is $5,743, fixed as in the case of Fort Howard; the sale to commence on the premises on Tuesday, November 15, 1864, and to be conducted by the land officers at La Crosse; all such actual sales, however, to be subject, as required by law, to the approval of the Secretary of the Interior.

OPERATIONS IN CONNEXION WITH THE RAILWAY SYSTEM

The general government, in distributing the public lands, has lent its powerful aid in advancing this great system by liberal concessions of the public lands in aid of the construction of railroads.

From the introduction into our country, in 1829, of the locomotive, the advantages of this new and rapid means of intercommunication have everywhere been appreciated, and in the first twenty years of its existence, and up to the year 1850, in the United States, it had outstripped in extent either Great Britain, France, Austria, or Germany, having stretched a distance of over 8,000 miles. In that year the Congress of the United States made the munifi-

cent grant of 2,595,000 acres to the State of Illinois in aid of the construction of the Central road to connect Galena, on the Mississippi, and Chicago, on Lake Michigan, with Cairo, at the junction of the Ohio and Mississippi; this railroad grant being larger in extent than the aggregate surface of the States of Delaware and Rhode Island. At that time the whole extent of railway in Illinois was only 110 miles. From the land fund thus conceded by Congress was constructed the Illinois Central at a cost of $35,000,000, the main road and branch being together equal in length to over 700 miles. As exemplifying the impulse given to the railway system by this grant, it should be observed that in the year 1860 it had, in the State in question, reached an extent of about 3,000 miles, whilst millions of acres of public lands, which had been for years in market unsold, were speedily taken up, and the United States has retired as a landholder from that State.

Under the railroad grants by acts of Congress passed in 1856 and 1857, the department has approved, up to September 30, 1864, and actually invested title by certified transcripts, in the States of Iowa, Michigan, Minnesota, Wisconsin, Florida, Alabama, Mississippi, and Louisiana, a total of 13,689,818$\frac{59}{100}$ acres, whilst the aggregate certified to those States, added to the quantities approved under the acts of Congress of 1850, 1852, and 1853, to the States of Illinois, Missouri, and Arkansas, make the quantity of acres 19,565,603$\frac{59}{100}$. On the railway base lines of the interior, east of the Mississippi, there have been already constructed a network of intercommunication comprising an extent, by estimate, at this day, of 35,000 miles, at a cost of thirteen hundred millions of dollars; whilst the great Pacific railroad trunk west of that river, now in progress of construction under the sanction of Congress, and with the aid of statutory concessions, will constitute the great base line of the plains for a new and enlarged system which will have to deal with an accumulating trade, foreign and domestic, the latter now approaching annually four thousand millions of dollars.

SWAMP CLAIMS, UNDER ACTS OF MARCH 2, 1849, SEPTEMBER 28, 1850, MARCH 2, 1855, MARCH 3, 1857, AND MARCH 12, 1860, NOW AMOUNTING TO OVER FIFTY-EIGHT MILLIONS OF ACRES.

In administering these laws difficulties have been encountered from the outstart not contemplated nor provided for in the original legislation.

The end proposed, as plainly expressed in the preamble of the original grant, has been attained only to a very limited extent, whilst the demands on the land fund and on the public treasury to satisfy indemnity claims have been enormous.

In the adjustment of swamp indemnity we have exacted from those furnishing proof, a rigid adherence to the instructions of June 30, 1862—transcript of which is in appendix—and all proof for indemnity, since taken, has been critically tested by those instructions.

They have, however, been so far modified by the ruling of the department in the case of Adair county, Iowa, as to admit for consideration claims for indemnity prepared under former rulings, even though they may have been filed after the date of the instructions of 1862, where it may be satisfactorily established that the proof had been fully completed prior to that date.

We have also admitted for examination on other points a class of proof from Illinois of the old form, filed prior to the date of notice to the governor of Illinois, of the revised requirements.

The claims for indemnity acted upon during the last fiscal year, are entirely confined to Iowa, Illinois, and Wisconsin, a large portion of the claims from Iowa and Illinois remaining yet to be adjusted, the work requiring patient and critical research and investigation.

The question of granting swamp indemnity on lands which had been sold prior to March 3, 1857, but not selected till after that date, was taken formally before the department on appeal and ruled out as not embraced in the statute.

Minnesota is the only State from which swamp selections have been reported since the date of our last annual communication; none yet have been received from the region of the Pacific.

As the selections in that State (Minnesota) embrace only such tracts as are vacant and unincumbered, according to the stipulation of the act of March 12, 1860, less difficulty will arise in their definitive adjustment.

Discrepancies in Michigan swamp selections have arisen creating embarrassment both to the United States and State governments, growing out of the fact that in certain townships in that State, in which the original surveys had been found defective, swamp selections were made from the field-notes of those defective surveys, and subsequently resurveys were made, and from the plats of the latter, other and different selections in the same townships were reported. Prior to the reception of these we had approved and patented to the State most of the selections made under the *old* or defective surveys. New selections cannot, therefore, be admitted in the same townships where the first or old ones had been patented.

To remove the difficulty and enable the United States to give to Michigan a good title to the swamp tracts and dispose of the residue or fast lands in such townships, it is necessary for the State to relinquish her title to the swamp tracts acquired under the old surveys, taking in lieu thereof an equal quantity of such lands described as swamp in the new surveys.

In some of the land districts in Iowa frequent applications have been made to enter under the homestead act, lands alleged to be swamp. Instructions, therefore, have been sent to the local land officers to permit such entries where satisfactory evidence is submitted as to the dry and arable character of the land, where the swamp selection had been made subsequent to the date of the confirmatory act of 3d March, 1857.

Propositions for legislative consideration have been presented for extending the time for making selections, and for the continuance of the indemnity act of March 2, 1855.

The views here entertained and heretofore expressed are adverse to these measures, and for reasons appearing in the following:

After experience of fourteen years in administering the swamp grant, we have found that instead of only embracing five or six million of acres, as originally estimated, it has been expanded to cover more than fifty-eight millions of acres.

The swamp grant, then, has already taken an area equal to the extent of the United Kingdom of Great Britain and Ireland, and more than one-third of the aggregate of all the lands that have been sold for cash, at public and private sale, by the United States since the foundation of this government!

Already, of this amount, nearly forty-five millions of acres have been actually approved and certified to the States.

Besides these, we have allowed, under the commands of legislation, the sum, in *cash* indemnity, out of the public treasury, of $342,885 42; also, have granted swamp indemnity in other public lands equal to $293,384\frac{57}{100}$ acres. Proof is now on file, as heretofore stated, for additional cash indemnity to be paid out of the public treasury of $702,500, with further swamp indemnity in new lands of 552,500 acres.

Further, the estimated amount of indemnity not yet filed, but which will probably be claimed under existing laws, will embrace five million five hundred and sixteen thousand acres. Also, the amount involved in the legislation which has been petitioned for, would reach, by estimate, 5,482,615 acres, without taking into consideration the immense quantities which might be selected as swamp, under further extension as to time.

Let it be borne in mind, too, in this connexion, that the expressed consideration stipulated by Congress in making the swamp grant, was the construction of necessary levees and drains to reclaim swamp and overflowed lands, made thereby unfit for cultivation.

This stipulation has been practically ignored, and the selections not limited to regions inundated by great rivers and watercourses, such as led originally to the passage of the law. On the contrary, the swamp grant has emerged from the few millions first estimated to gigantic proportions, reaching from the lakes to the Gulf of Mexico, and extending hundreds of miles east and west of the Mississippi, along nameless creeks, or bordering on inconsiderable lakes, and absorbing millions of acres of the most valuable lands of the country. It has created multitudes of interferences with individual titles, resting on actual sales or locations; interfered with railroad and other internal improvement grants, giving rise to innumerable conflicts, and causing enormous outlay to the public treasury in the nature of indemnity.

The question naturally arises, How is it that the grant has assumed such immense proportions so enormously in excess of the original estimate?

The answer is to be found in the indefinite terms of the grant; and in this, that neither in the original statute, nor in the subsequent legislation, is adequate provision made for subjecting swamp claims to proper tests; nor is there any stipulation in the matter of indemnity for requiring obligation that the awards will be faithfully applied to the reclamation of the swamps. For reasons suggested it is here recommended that in no respect should the swamp grant be enlarged; and further, that in view of the present indefinite mode of procedure, and to the end that even and exact justice may be done to all concerned, legislation be had, in the first place, putting an end to the indemnity principle, and requiring, as a condition precedent to the approval of a swamp claim to any tract, that it shall be subject to tests as to validity equal to those now required respecting preëmptions; and that, in the case of every swamp claim, it shall be required that the claim be proved up, with at least the same formalities as the law stipulates for a settler to secure his homestead, and according to such regulations as may be prescribed by the department.

THE WINNEBAGO RESERVATION ON BLUE EARTH RIVER, MINNESOTA.

By the second article of the treaty with the Winnebagoes of 27th February, 1855, a home reserve was set apart to those Indians, equal to eighteen miles square.

The first article of the subsequent treaty concluded with them, on the 15th April, 1859, however, required the home reserve to be reduced, the eastern part to be allotted in *severalty*, and certificates to be issued by the Commissioner of Indian Affairs for the tracts so allotted; the second article of said treaty of 1859 ordering the western part to be sold for the benefit of the Indians, under the direction of the Secretary of the Interior, on sealed bids and to the highest bidders, and any surplus over the severalty allotments in the eastern part to be disposed of in like manner.

By the act of Congress, approved 21st February, 1863, provision is made for the removal of the Winnebagoes, and for the assignment to them of an unoccupied tract beyond the limits of any State, equal in extent to the diminished reservation,

This act also makes it the duty of the Secretary of the Interior to cause the lands of the reservation, and the improvements thereon, to be appraised, and after appraisal the same to be open to pre-emption, entry, and settlement: provided that, before any person shall be entitled to preëmption, previous to the public sale, he shall become an actual, *bona fide* settler thereon; the portion of

the reservation not settled upon to be offered at public auction, after which the lands to be subject to sale at private entry, but no portion to be sold for less than the appraised value before the 1st January, 1865.

Under date of June 15, 1864, the Secretary of the Interior transmitted to this office a list of the lands in the reservation, with their appraised value, in order that the same might be offered at public sale in conformity to law, and accordingly a proclamation has been issued by the President for the sale of these lands, embracing $53{,}972\frac{26}{100}$ acres, to commence on December 5, 1864. Under same date of June 15, 1864, the Secretary enclosed a transcript letter from the Indian Office, showing the names of certain members of the Winnebago tribe who desire to retain their allotments of land in Minnesota, under the treaty of 1859, which lands, with certain other tracts designated by the Secretary, under date aforesaid, have been excepted from the sale which has been ordered by the aforesaid proclamation of the President.

The 4th section of this act of February 21, 1863, authorizes the sale of the lands of said Indians which had been set apart for the payment of their debts, the sales to be made on sealed bids.

Three returns have been transmitted to this office by the Secretary of the Interior, showing two hundred and seventy sales made, covering $43{,}736\frac{31}{100}$ acres, for which $121,206 31 have been received.

For all these cases patents have been issued and sent to the Office of Indian Affairs.

SIOUX INDIAN RESERVATION.

Under the third article of the treaty of July 23, 1851, with the See-see-toan and Wah-pay-toan bands of Dakota or Sioux Indians, and the treaty of August 5, 1851 with the Med-ay-wa-kan-toan and Way-pay-koo-tay bands of Dakota or Sioux Indians, a tract of country of the average width of ten miles on either side of the Minnesota river, and bounded on the west by the Tchay-tam-bay and Yellow Medicine rivers, and on the east by the Little Rock river and a line running due south from its mouth to the Waraju river, was set apart for the use and occupancy of said Indians.

That portion of the reservation as described, lying north of the Minnesota river, was subsequently ceded to the government under the provisions of Senate resolution passed June 27, 1860.

By the act of March 3, 1863, it is provided that the portion of this reservation south of the Minnesota river, shall be surveyed under the direction of the Commissioner of the General Land Office, into legal subdivisions, to conform to the surveys of the other public lands, and be disposed of, under the direction of the Secretary of the Interior, for the benefit of the Indians.

Instructions were issued by this office on the 29th of June, 1864, to the surveyors general of Minnesota and Dakota Territory to contract with loyal and competent deputy surveyors for the survey of this reservation. As no appropriation was made for this work, said surveyors general were, by direction of the Secretary of the Interior, instructed to stipulate in their contracts that those surveys shall be paid for out of the proceeds of the sales of the lands when surveyed.

On the 25th day of July last the surveyor general of Minnesota entered into contract for the survey of an area equal to about six townships.

The surveyor general of Dakota reported, under date of July 25 last, that he has found a suitable deputy who is willing to survey that part of the reservation which lies in Dakota Territory, amounting to about eight townships, upon the terms and conditions of payment stated. It is expected, therefore, that the whole or nearly the whole of this reservation will be surveyed during the present fiscal year, upon the terms prescribed.

The reservation embraces an area equal to about forty-two townships, or 967,680 acres, of which 230,400 acres have been surveyed, 138,240 acres are now under contract, and thirty-two townships, or 737,280 acres, remain unsurveyed at the present date.

PROCEEDINGS IN REGARD TO THE SURVEY OF INDIAN RESERVATIONS IN UTAH.

By an act approved May 5, 1864, it is provided that "the several Indian reservations heretofore made, or occupied as such," in Utah Territory, except the Uinta valley reservation, shall be surveyed into tracts or lots not exceeding eighty acres each. As no money has been appropriated to pay the expense of surveying these reservations, it has been determined that the survey shall be paid for out of the proceeds of the sale of lots.

Pursuant to the directions of the Secretary of the Interior, the necessary steps have been taken to execute the law, the price of survey not to exceed that established for surveying the public lands in Utah.

Accordingly the surveyor general at Denver, Colorado, has been instructed to correspond with the superintendent of Indian affairs at Great Salt Lake City, and obtain such data as will enable the surveyor general to determine the number and extent of those reserves, and secure the services of some loyal and competent local surveyor to do the work.

Upon receiving the desired information the surveyor general is directed to enter into contract without delay, and forward the necessary instructions to the deputy.

The surveyor general has further been advised of the Secretary's suggestion that perhaps a better price might be obtained for the lands if these reserves were surveyed into lots of ten or twenty acres each, having reference to the facilities for irrigation.

SURVEYS ON TRUCKEE RIVER, SOUTH OF PYRAMID LAKE, IN NEVADA, TO OPEN THE WAY FOR THE CULTURE OF THE SOIL BY THE INDIANS.

The Secretary of the Interior having deemed it important to survey the public lands along the Truckee river, in Nevada, in the vicinity and south of Pyramid lake, in the western part of that Territory, in order to open the way to the culture of the soil by the Indians, this office, by his direction, prepared a contract, to be executed by the surveyor general at Colorado, with whose surveying district the Nevada district has been consolidated by the act of 2d July, 1864.

As the surveying season had so far advanced when the law of consolidation was passed, and there was not sufficient time for transfer of the archives from the San Francisco surveyor general's office to Denver in Colorado before ordering the survey in question, this office furnished the surveyor general of the latter Territory, from our records, with the evidence of the survey of so much of the guide meridian as forms the east boundaries of the townships contiguous to the Truckee region of survey, so as to enable the deputy surveyor to carry forward the proposed survey in continuation of those already run. The Colorado surveyor general was further instructed that, as the object of these surveys is to embrace the desirable lands along the Truckee river, and as it is impracticable to reach that locality from the third standard parallel by the regular system, on account of the intervening mountainous country, the deputy should extend the fourth standard as far east as necessary, not exceeding eighteen miles, and from it run the range lines *south* twelve miles for two tiers of townships; that before proceeding to run these lines a calculation must be made for the convergency of meridians between the third and fourth standards, and the deputy will start from points such distance west of the established township corners on the fourth standard as will, when extended, close on the township corners established on the third standard, allowing for divergency, and that the two townships *north* of the fourth parallel would of course be surveyed in the usual manner. He was also instructed that as there is some uncertainty through what townships and ranges the Truckee river

passes, he would direct the deputy that if it should be found that the survey of any of the townships enumerated in his contract, did not embrace all the arable and pastoral lands in the valley of the Truckee river, such townships should be excluded and others in the valley substituted.

PUEBLO INDIANS.

It is estimated that the Pueblo Indians of New Mexico and Arizona, those whose claims are confirmed and those unconfirmed, constitute a population of eighteen thousand five hundred persons.

When the Spaniards first visited the country they found these people in pueblos or villages, and hence gave them the name of Pueblos. They are community Indians, cultivating the soil, raising cereals, vegetables, fruits, and cotton, with herds of cattle, weaving and spinning cotton, wool, and making blankets of superior quality; engaged also in the manufacture of curious pottery; advanced in all these respects when first visited by Europeans.

Their houses are built of adobe, though sometimes of stone laid in mortar, are several stories in height, containing different families. These edifices are generally in the form of a hollow square, with council chamber, the lower story without doors or windows, entrance being effected by ladders. They are sometimes built in places difficult of access, on high bluffs or on the brow of a mountain.

Surveys have been received at the General Land Office for the Pueblos of Jemez, San Juan, Picuris, San Felipe, Pecos, Cochiti, Santo Domingo, Taos, Santa Clara, Tesuque, San Ildefonso, Projoaque, Zia, Sandia, Isleta, and Nambe, containing, in the aggregate, $453{,}427\frac{46}{100}$ acres, for all of which patents have been engrossed. The surveys have also been returned for the following towns in New Mexico, viz: Tecolote, Chilili, Belen, Tome, and Las Vegas, containing, in the aggregate, $872{,}777\frac{21}{100}$ acres.

Details in regard to these and other (unconfirmed) Pueblos in New Mexico and Arizona accompany this report.

TIMBER ON THE PUBLIC LANDS.

Under authority of law and judicial decisions this office has put in operation repressive measures against the spoliation of the timber on the public lands. These measures have extended to Michigan, Wisconsin, Minnesota, Dakota, Kansas, California, Oregon, Washington, and Nevada. Wherever the trespass has actually taken place, but found not to be wilful but through ignorance, it has not been the policy of the department to pursue the offenders in a vindictive spirit, but, where the lumber has been taken from offered land, simply to require the actual entry of the premises and payment of costs. In the case of unoffered or unsurveyed lands, we have enforced the payment of a liberal stumpage. Where timber is scarce, as in the case of Nevada Territory, we have issued stringent orders to the district land officers, and to the following effect: The importance of a supply of timber where timber is so scarce would seem to invoke protection in order to preserve it and prevent waste; but as the timber is chiefly to be found in the mountain slopes, on land not adapted to agriculture, it becomes a question as to what extent restriction upon its enjoyment shall be imposed on settlers in the Territory. In the case of pre-emptors and homestead settlers, on lands fit for tillage, they are restricted to timber growing on the land for purposes of building, fencing, repairs, and firewood. Neither pre-emptor nor homestead settler can cut timber for sale until the former has made entry, and the latter resided five consecutive years on the land. Where land settled and pre-empted is destitute of timber, in that case the party must, *ex necessitate*, be permitted to take timber from the mountain slopes, but solely for domestic use, otherwise Nevada plains would be unsettled.

Should parties file for mountainous land, not fit for cultivation, in order to cut and sell the timber, the register and receiver are directed to cause it to be seized

and sold, for by so doing they would to some extent protect mill owners from the exactions of speculators.

Persons who have invested in saw-mills, and are reaping large profits from the necessities of the settlers, must pay a reasonable tariff per one thousand feet of timber sawed; as stumpage, say, not less than one-sixth the value per one thousand feet of the manufactured lumber at the mill. This would be moderate, in view of the great demand for timber in the Territory, and but consistent with honest principles that a compensatory return should be made for the timber.

In order to effect such an arrangement the land officers are authorized to consult the United States district attorney as to the best mode of securing a *revenue* from the timber, payable quarterly on each and every thousand of feet sawed at the respective mills, or used as cordwood, hewn timber, or other description of timber, on a sworn statement of the number of feet taken. Should the "*mill*" owners, "cordwood," "hewn timber," or "other timber" holders refuse to enter into such stipulation, the register and receiver are directed to advise them that the timber is public property and liable to seizure, and where the negotiation with them is not satisfactory the register and receiver must promptly seize any timber cut upon the public lands.

The policy pursued has been quite efficient in mitigating the evil, and that, too, not only without any cost to the government, but leaving the avails of seizure in the treasury of over ten thousand dollars.

MINERAL WEALTH OF THE GOVERNMENT IN THE PUBLIC DOMAIN.

The extent and immensity of these interests have heretofore been presented in annual and other communications from this branch of the service. The continual discoveries which are taking place establish the fact that these in the past have not been overestimated in any respect; but, on the contrary, that the actual mineral wealth of our country is far beyond any official showing heretofore submitted, attributable to the limited data at the time in our possession.

The fact has been brought to light in regard to this part of the continent, that extensive mineral veins, mainly of the useful metals, yet interspersed with auriferous deposits, start from Nova Scotia in the northeast, where gold is found—the chief gold commissioner's table showing that for the half year, ending 30th June, 1864, 9,161 ounces were taken—extend thence in a southwesterly direction, in general curvature with the Atlantic coast, passing through North Carolina into Georgia, where, in the rich gold-mining district of Dahlonega, a mint has been established, at the cost of $100,000.

Then, in the valley of the Chaudiere and its tributaries, south of the St. Lawrence, where, according to a report, dated 26th September, 1863, of the register of the crown domains at Quebec, gold exists, passing into our country in the region of the great lakes, traversing the upper peninsula of Michigan, copper and iron appear of immeasurable extent, to which gold and silver discoveries have recently been added; and thence, advancing in a southwesterly direction, these veins pass through Wisconsin, Minnesota, and into Iowa, where lead mines appear in the belt occupied by the Galena limestone, reaching the Mississippi at Dubuque, first worked, in the year 1788, by a miner of that name, and subsequently under permission of the Spanish governor general, Carondelet, until Colorado is reached, when the mineral product rises in veins of gold, flanked by extensive coal beds—the precious metals having been traced thence into Utah, and extensively found in New Mexico and Arizona.

The scarcity of the precious metals, and their supposed very limited extent, have made them, from the earliest ages of civilization, fixed representatives of value—by far the greater portion of the earth's surface, as far as ascertained, being utterly destitute of them. Experience, however, within the last sixteen years, has enlarged the basis of this theory, in consequence of the prodigious discoveries in California, in Oregon, Washington Territory, Idaho, Western Da-

kota, Nevada, New Mexico, Arizona, Colorado, and elsewhere. The greatest gold discoveries of the present age, or of any age, first appeared in the year 1848, in California.

The territory of this, the first and leading northwestern gold discovery, lying between the Sierra Nevada on the east and the Pacific on the west, had remained almost in a state of nature for a period of three and a quarter centuries after its first exploration by Cabrello, and even after the Spanish political authority had been established there by the viceroys and governors, the pathway of civilization having been opened to a limited extent by the missionaries of the Cross. When the United States succeeded, in 1848, to the sovereignty of the country, a scattered and mixed race of some ten or twelve thousand constituted the entire population of the country. In that year the gold discoveries were the immediate cause of a complete revolution in the business and social relations of the country. The stream of immigration set in from the elder portions of the Union—from South America, Europe, and even from the distant shores of the Chinese empire.

The solid foundations of republican institutions were at once laid in the Territory. Cities started up as if by enchantment, and without the ordinary political gradations, California assumed in two years thereafter the full proportions of an American State. San Francisco springing from the condition of a small village of adobe buildings to that of one of the chief commercial cities of the world, the rush and impulse created by the resistless attraction being without precedent. At once means were taken by sea and land to effect speedy communications with the other portions of the Union by overcoming time and space. The six months' transit has been shortened to less than three weeks, and the electric telegraph established, sending its messages and returning replies in a single day, between the rising and setting of the sun.

From this leading auriferous region the gold strata and washings have been traced into Oregon, especially on its eastern limits at Auburn and Boisé, thence into Washington Territory, extending northwesterly to the Pend d'Oreilles, and recently in the Olympia range of mountains.

What relations have the United States held in a proprietary point of view to these vast treasures? They have left them open to our people and to the citizens and subjects of foreign powers for a period of sixteen years, during which one thousand millions of dollars have been extracted without a dollar's revenue to the national exchequer. Nor, indeed, have they been placed in any respect, by authority of law, under the management of this or any other department of the government.

It is a subject of interest, in this connexion, to glance at the relations held by Great Britain in regard to the auriferous Anglo-ultramarine empire. Some eight years ago Governor Douglas, of the Vancouver colony, informed the British government of the existence of gold in New Caledonia, yet the matter did not attract attention until the year 1858, when information as to the wealth of these new gold fields was received in California, whence large numbers of miners and others rushed to the region of Frazer's river. In that year Sir Edward Bulwer Lytton introduced a measure into Parliament, which became a law, creating the colony of British Columbia of 200,000 square miles, having the United States as its southern boundary—about the 55th parallel on the north, the Pacific on the west, and the Rocky mountains on the east.

Immediately upon the first influx of immigration the British government took measures to secure to Great Britain the royalty of the mines, by imposing a license tax, and interdicting the introduction of merchandise, except through the agencies of the Hudson's Bay Company, forbidding at the same time to foreign ships the navigation of Frazer's river. Although the home government subsequently instructed the local governor to deal liberally with the citizens of the United States, yet it appears that up to June, 1858, thirteen hundred miners, mostly citizens of the United States, had paid the tax. Previous to their dis-

coveries in British North America, and some two years after those in California, it was announced that gold fields had been found on the Turon river, in 1850, in the Bathurst district of New South Wales, in Australia, and almost simultaneously richer fields were discovered in Victoria.

In that year the population of the country was 50,000, the year following a quarter of a million, whilst, in 1856, 100,000 laborers were in the mines, which, according to mineralogical estimate, it would require three hundred years to exhaust. In that year of activity an act was passed by the provincial parliament dividing the whole gold fields of Victoria into six mining districts. Proper functionaries were appointed to administer the mining system, the results of which, in floods of wealth, have gone to the centre of the British empire, whilst the auriferous regions of the United States have remained without being consigned by law, to the management of any department. Projects have been announced to the public for surveying our national gold fields into small parcels, and selling out the ultimate title. The theory of this results from error in assimilating the principle to the disposal of the public lands containing copper, lead, iron, &c., the chief and great value of which is created by the labor bestowed in fashioning them to the innumerable purposes of life, whilst the intrinsic character of gold places it in an entirely different relation, its value being mainly in the metal itself, the simple act of coinage rendering it a universal representative of values and a part of the currency of the world.

The results of any such policy, in the judgment of this office, would be fraught with the most disastrous wrongs to the American people, whose golden estate would soon pass into the hands of wealthy corporators and capitalists.

The region within the United States permeated by the precious metals has an extent of about one million square miles, yet the area actually covered by workable deposits is comparatively small, and the existence of these metals in paying quantities in any specific locality is only ascertained by careful and expensive explorations and tests; but inducements to such explorations in the auriferous region are such as to carry the explorer far in advance of permanent settlements, and consequently beyond the limits reached by the most advanced public surveys. These circumstances forbid and render impossible the preparation of the ground for public sale in advance of the metaliferous discoveries by any system which can be devised. Besides, usage in this and all other countries concedes to the discoverer a preference right, in limited and reasonable extent, to the fruits of his enterprise, subject only to such periodical payment or royalty as shall be established by the sovereign power. Consequently, the value of these lands cannot be tested by the standard of public competition, as is the case with the arable portion of the public domain, nor would it be just to expose the adventurous explorer to such competition against capital, which had risked nothing in the investigation, and in no way aided in stimulating the enterprise by which it would thus seek to be benefited. Added to these obstacles, presented at the threshold of any scheme for the divestiture of title to the gold and silver-bearing localities, is the absolute impossibility of fixing any just minimum for these lands, for the reason that no two given areas are of equal value; the localities now known and worked as permanent mines varying from a few dollars, say less than one hundred, to six thousand per foot, lineal measure, upon the vein or lode. Should a greater disparity of value per foot be found by the progress of new discoveries, which is certain to be the case, at what point within the limits named should a mimimum be fixed as the basis of sale? If near the highest sum named, not one locality in a thousand could be sold at all. If near the lowest, no adequate compensation would be received for the more valuable locations, and the least valuable would forever remain unsold. If a medium between the two extremes be named, only a few more sales could be effected, and the one-half would be excluded from sale by the excessive price.

But were it admitted that a minimus which should be just to the public could be determined upon, it would be found that the area which could be made actu-

ally necessary to the workable lodes would be so inconsiderable, and the price so insignificant, that the expense of survey and disposal would far exceed the product of the sale. Indeed, so great would be the excess that, objectionable as is the existing negative policy of the government, it is preferable to any system of sale which has been or can be proposed.

The tendency of capital to grasp and consolidate all interests of such limited extent as may be monopolized, is such that by any system of divesting the government and people of the proprietorship of this auriferous estate, (limited in area, but not in value,) would result in the rapid concentration of this public interest in the hands of the few to the prejudice and deprivation of the many; and as the cheapest capital is endowed with the highest tendency to monopolize, it is fair to presume, in fact may be confidently predicted, that foreign capital would in a few years own and control the vast mineral resources of this country, without having given any adequate valuable consideration therefor. In fact, it may be assumed that the treasury would be the poorer to the extent which the administration of the system would exceed in cost the receipts derivable from sales, which would not be inconsiderable.

Once so monopolized, the working of these vast fields of wealth would be regulated by the interests of capital, and that capital interested in forwarding the views of competing nations, and enhancing their material prosperity against the interests, if not at the expense indirectly of the government and people of the United States.

In times of war, should such arise—and it is not impossible, nay, hardly improbable—it might become the interest of such combinations to materially reduce the product of the precious metals, when it would be to our interests, as it is at present, that the higest maximum of product should be attained.

It will be no answer to this proposition to say that the mines could be legally, in such case, seized and worked for government account, for the title might and probably would be, for convenience and safety, nominally held by our own citizens. Such, at least, is one of the ordinary precautions of capital, than which no interest is more timid or endowed with more foresight.

But the material and moral prosperity and advancement of this government and people will be best promoted by the adoption of such a course with regard to the mineral wealth of the public domain as shall secure the largest product with the most equitable distribution among our own people, and at the same time subject this interest to an equitable proportion of the public burdens with which the people and treasury are charged.

It is believed that these desirable, nay, indispensable objects will be best secured by retaining the proprietorship of the mines in the whole people, charging them with reasonable percentage upon product, and making the right of occupancy dependent upon the steady exercise of diligence and good faith in working them. When these conditions fail beyond reasonable time and without adequate cause, the right to occupy should cease and the ground be open to other citizens who will give assurance of *bona fide* occupation, thus securing to the nation the accumulation of wealth, to themselves adequate reward, and to the national treasury its just proportion of the product.

By such a policy the expenses of survey will be substantially obviated; no portion of the public domain will pass from the possession of the nation with insufficient compensation—none for more than its actual value; all will share justly the national liabilities, and the whole will be open to all our people alike; affording, as these distant regions shall be reached by ready means of intercommunication now in progress of construction, a vast and solid capital sufficient for the necessities of the people, and for the control and management of the world's commerce which must ere long centre upon our shores.

When the nation is weighed down with financial obligations, with pressing necessity for constant supplies of the precious metals, the real representatives of value and currency of the world, there is no subject in civil affairs which ad-

dresses itself with more force at this time to the attention of statesmen than the establishment, by law, of a system which, whilst it shall do justice to the interests and equities of individuals, under existing mining usages and customs, shall, at the same time, come, to some extent at least, in aid of the public treasury. The undoubted proprietary title to these mines is in the United States. For fourteen years they have been left open, without tallage, and during that period hundreds of millions have been extracted and carried away by individuals and capitalists.

To sell such interests and divest the government of the ultimate title, would be to realize the force and folly in the moral of the great fabulist, wherein the regular daily golden supply was given up, in the vain hope of grasping at once large yet unknown wealth, resulting in the penalty of total loss and disappointment. The sale of these interests would be to exchange the republic, a liberal, generous, beneficent proprietor, for the sharp, remorseless capitalist, to wring from the laboring classes enormous profits. It would, in fact, be a policy contradicted by the enlightened systems of Europe, and that which has existed, under other sovereignties, on this continent and in the island of Cuba, for more than three hundred years.

Discarding, then, all theories which would wrest from our government the fee in the mines and minerals, what is the course which sound policy dictates for the benefit of our people undividedly and the country at large? Is it to allow these vast interests to pass exempt from any contribution in aid of the public finances when all the other interest of our people are reached by the taxing power to uphold the republic? The judgment of the General Land Office is against such a proposition.

On the other hand, the obvious course to be pursued is to make these public interests reasonably contribute, like all other interests, to sustain government. This may be done by a system so liberal to the mining interest as scarcely to be felt by it—in fact, giving the indemnity which will be found in the security and certainty to them in obtaining the usufruct.

To this end legislation is recommended opening the mines and minerals of the public domain, the property of the nation, to the occupancy of all loyal citizens, subject, as far as compatible with moderate seignorage, to existing customs and usages, conceding to the discoverer, for a small sum, a right to one mine, placer, or lead, with a pre-emptive right, in the same district, to an additional claim, both to be held for the term of one year, for testing the value. Where found non-yielding, nothing is paid by claimant but the inconsiderable fee in the first instance, which gave him security for making the desired test; but where found profitable, to be permanently secured, or secured just as long as the claimant may choose to work the premises, by the payment, at reasonable rates, of a specific sum per foot, with the percentage upon product which may be prescribed by law, and forfeiture within a period of grace after the lapse of each successive year, and thereafter, in default of payment, the mine to be open to any other applicant. It is recommended, in this connexion, that it shall be made by law the duty of the collector or deputy collector of internal revenue nearest the proper mining district to receive and account for all moneys paid for the use of the United States under the suggested system of tallage, the bond of such officer to cover the responsibility, whilst the internal revenue assessor or assistant assessor for such mining district shall make returns to the collector and General Land Office of the names of all persons working mines within his jurisdiction, with specific designations as to localities. The machinery in detail would require the setting apart and mapping of the several mining districts, and, it is believed, would, with care in the details of legislation, be made completely effective with the aid of existing civil officers of the United States, and without additional expense to the treasury.

ACCOUNTS OF RECEIVERS OF PUBLIC MONEYS, DISBURSING AGENTS, AND ADJUSTMENT OF THE TWO, THREE, AND FIVE PER CENT. FUNDS.

The accounts of the several receivers of public moneys, as also those rendered by them as disbursing agents, have been adjusted to July 1, 1864, except in the cases of those at Humboldt, Kansas, and Dakota City, Nebraska, and Vermillion in Dakota, which have been adjusted up to February 1, 1864, the latest period to which they have yet been rendered.

Accounts have been adjusted between the United States and the several States entitled to the 2, 3, and 5 per cent. funds accruing to the latter upon the net proceeds of the sales of the public lands situated within their respective limits, to the dates hereinafter specified. No adjustments have been made subsequent to those dates, because the expenses incident to the disposal of the public lands have exceeded the proceeds of sales.

Statement in regard to the two, three, and five per cent. fund accounts.

States.	Date to which the fund accounts have been adjusted.	Balance reported to be due the State on account of two per cent. fund.	Balance reported to be due the State on account of three per cent. fund.	Aggregate amount of said balance on five per cent. fund.	Numbers, dates, and amount of warrants issued in favor of States for payment of balance reported as ascertained from the books of the Treasury.		
					No. of warrant.	Date.	Amount
Missouri	Dec. 31, 1862	$2,089 47	$3,134 20	$5,223 67	.....	*Not paid	.....
Michigan	Dec. 31, 1863	.....	.....	9,445 44	1927	July 23, 1864	$9,445 44
Wisconsin	Dec. 31, 1862	.....	.....	250,139 11	.....	Not paid	.....
Minnesota	Dec. 31, 1861	.....	.....	948 07	8109	July 8, 1862	948 07
Illinois	Dec. 31, 1860	.....	.....	293 75	5518	May 29, 1861	293 75
Illinois	Sept. 18, 1863	.....	‡1,565 80	.....	.....	.....	.....
Arkansas	Dec. 31, 1860	.....	.....	†19,634 75	267	Aug. 18, 1863	19,634 75
Alabama	Dec. 31, 1859	2,882 99	4,324 49	7,207 48	3878 3879	Oct. 17, 1860	7,207 48
Mississippi	Dec. 31, 1859	4,903 24	7,354 87	12,258 11	4286 4287	Dec. 31, 1860	12,258 11
Louisiana	Dec. 31, 1859	.....	.....	13,382 09	3990	Oct. 25, 1860	13,382 09
Florida	Dec. 31, 1859	.....	.....	3,028 10	.....	Not paid	.....
Iowa	Dec. 31, 1859	.....	.....	4,189 95	.....	Not paid	.....
Ohio	Dec. 31, 1856	.....	19 04	.....	9255	May 29, 1859	19 04
Indiana	Dec. 31, 1856	.....	47 12	.....	.....	Not paid	47 12
§California	.....	.....	.....	.....	.....	.....	.....
‖Oregon	.....	.....	.....	.....	.....	.....	.....
‖Kansas	.....	.....	.....	.....	.....	.....	.....
Total	.....	9,875 70	16,445 52	325,750 52	.....	.....	63,235 85

* Payment to the State of Missouri suspended for certificate from the governor as to the name of the State treasurer. † On permanent Indian reservations.

‡ The sum $19,634 75, reported as due to Arkansas, has been transferred to the payment of the interest on the bonds of that State held by the Smithsonian Institute. § Not entitled. ‖ No account stated.

In presenting in the foregoing some of the prominent subjects which have occupied the attention of the office since the last annual communication, it is only justice to this branch of the public service to state that it necessarily conveys but an imperfect idea of the immense details and responsibilities encountered in the yearly routine of public business.

This branch, it may be observed, is the record office general of the millions of individual land titles which have emanated from our government, beginning in 1788, even before the adoption of the Constitution of the United States.

These records and ledgers, with multitudes of inceptive and progressive evidences of title constantly accumulating, are arranged so systematically as to be easily accessible, and are necessarily of continual reference on calls from parties in pending suits or settlement of decedents' estates.

Then, as an auditing department in all that concerns land matters, whether in accounts for surveys, for the accounts of moneys taken by receivers on

account of the sales of public lands, or fees and commissions, or as disbursing agents, we are charged with the responsibility of constantly guarding the public interest in order to hold such fiduciaries to strict responsibility, ascertaining and reporting balances promptly to the treasury.

But the more important sphere of duty is the examination and adjudication of the numerous questions of fact and of law arising under foreign and Indian treaties, under conflicting donations, in regard to surveys, under the donation and homestead laws, under pre-emption, rural, and municipal, under internal improvement, and school selections, under the laws granting military bounties, and the enactments respecting railroads, swamp, canal, and other grants.

These are the classes of subjects often connected with voluminous records, in which the General Land Office is called upon to act in the execution of the duties with which it is charged under the laws of Congress.

Respectfully submitted.

J. M. EDMUNDS, *Commissioner.*

Tabular statement showing the number of acres of public lands surveyed in the following land States and Territories up to June 30, 1863, *of public lands and private land claims during the last fiscal year, and the total of the public lands surveyed up to June* 30, 1864, *and also the total area of the public domain remaining unsurveyed within the same.*

Land States and Territories.	Number of acres of public lands surveyed up to June 30, 1863.	Number of acres of public lands surveyed within the fiscal year ending June 30, 1864.	Total area of private claims surveyed within the fiscal year ending June 30, 1864	Total of the public lands surveyed up to June 30, 1864.	Total area of the public lands remaining unsurveyed June 30, 1864, including private claims surveyed but not yet fully reported.
	Acres.	*Acres.*	*Acres.*	*Acres.*	*Acres.*
Wisconsin	32, 570, 590	410, 933		32, 981, 523	1, 529, 837
Iowa	35, 630, 898			35, 630, 898	
Minnesota	20, 404, 088	599, 305		21, 003, 393	30, 443, 648
Kansas	13, 883, 645	695, 275		14, 578, 920	37, 464, 600
Nebraska Territory	11, 174, 112	733, 405		11, 907, 517	36, 729, 283
California	26, 463, 404	258, 991	57, 682	26, 722, 395	74, 937, 285
Nevada Territory	147, 584	269, 849		417, 433	51, 767, 527
Oregon	4, 842, 061	224, 369		5, 066, 430	55, 892, 290
Washington Territory	2, 893 715	137, 579		3, 031, 294	41, 764, 866
Colorado Territory	161, 064	431, 076	92, 292	592, 140	66, 287, 660
Utah Territory	2, 425, 239			2, 425, 239	65, 659, 241
Arizona Territory					80, 730, 240
New Mexico Territory	2, 293, 142			2, 293, 142	75, 275, 498
Dakota Territory*	936, 422	495, 208		1, 431, 630	152, 550, 450
Idaho Territory†					58, 196, 480
Montana Territory‡					92, 016, 640
Total§	153, 835, 964	4, 255, 990	149, 974	158, 081, 954	921, 245, 745

* By the act of May 26, 1864, the area of Dakota Territory was increased by attaching to it 58,665,600 square acres off the southeast corner of the original Territory of Idaho.

‡ Montana was erected into a separate Territory out of the former Territory of Idaho, by the act of May 26, 1864.

† Reduced in area.—See act May 26, 1864.

§ The aggregate area of the whole public domain may be obtained by adding to the totals of the above lands surveyed and remaining to be surveyed the areas of the following public land States, in which all or nearly all the public lands have been surveyed, viz: Illinois, 35,462,400 square acres; Ohio 25 576,960 square acres; Mississippi, 30 179,840 square acres; Florida, 37,931,520 square acres; Missouri, 41 824,000 square acres; Indiana, 21,637,760 square acres; Louisiana, 26,461,440 square acres; Michigan, 36,128,640 square acres; Alabama, 32,462,080 square acres; Arkansas, 33,406,720 square acres; Indian Territory, 44,154,240 square acres.

	Acres.
Total area exclusive of water-courses, &c	1, 444, 703, 273
Area water surface, lakes and rivers	5, 296, 727
Making an aggregate area of the public domain	1, 450, 000, 000

Statement of public lands sold, of cash and bounty land scrip received therefor, number of acres entered under the homestead law of May 20, 1862, of commissions received under the sixth section of said act, and statement of incidental expenses thereon, in the first half of the fiscal year commencing July 1, 1863, and ending June 30, 1864.

Land offices.	Quantity sold for cash and bounty land scrip at and above the minimum price of $1 25, and amount received for the same, for the first half of the fiscal year ending Dec. 31, 1863.		Exhibit of the amount paid for in cash and in bounty land scrip respectively for the first half of the fiscal year ending December 31, 1863, mentioned in first column.		Quantity of land entered under homestead act of May 20, 1862, with aggregate of the $10 payments required by the second section of the act; and also with aggregate of commissions of registers and receivers, under sixth section of the said act.				Aggregate disposed of for cash, also bounty land scrip, and of cash under homestead act of 1862.		Incidental expenses.
	Acres.	Amount.	Cash.	Bounty land scrip.	Area in homestead entries, in acres.	Aggregate in $10 payments.	Am't of reg'rs' and rec'rs' commissions under 6th section of homestead act of 1862.	Aggregate of $10 payments and commissions.	Acres.	Amount.	
OHIO.											
Chillicothe	10,403.55	$26,459 03	$24,566 91	$1,892 12	443.55	$60 00	$11 09	$71 09	10,847.10	$26,519 03	$1,354 58
INDIANA.											
Indianapolis											500 00
ILLINOIS.											
Springfield	326.79	769 96	622 95	147 01					326.79	769 96	724 79
MISSOURI.											
Boonville	447.98	1,017 72	817 72	200 00	9,009.11	610 00	121 00	731 00	9,457.09	1,627 72	721 05
Ironton	653.86	1,017 29	1,017 29		240.00	30 00	6 00	36 00	893.86	1,047 29	523 97
Total	1,101.84	2,035 01	1,835 01	200 00	9,249.11	640 00	127 00	767 00	10,350.95	2,675 01	1,245 02
ALABAMA.											
St. Stephen's											
Greenville											
Huntsville											

Tuscaloosa											
Elba											
Demopolis											
Montgomery											
Centre											
Total											
MISSISSIPPI.											
Washington											
Paulding											
Jackson											
Columbus											
Total											
LOUISIANA.											
New Orleans											
Opelousas											
Monroe											
Greensburg											
Natchitoches											
Total											
MICHIGAN.											
Detroit	5,447.45	6,809 36	6,409 36	400 00	7,839.68	650 00	99 00	749 00	13,287.13	7,459 36	923 19
East Saginaw	19,378.20	44,391 90	34,061 90	10,330 00	22,626.53	1,970 00	358 10	2,328 10	42,224.73	46,361 90	2,468 15
Ionia	4,312.70	18,750 44	17,780 44	950 00	44,645.68	3,720 00	642 29	4,362 29	48,958.38	22,450 44	2,065 03
Marquette	49,716.38	75,393 97	75,393 97	.....	7,490.58	530 00	97 60	617 60	57,207.06	75,823 97	2,759 60
Traverse City	4,352.68	5,440 87	5,140 87	300 00	45,834.51	3,110 00	574 92	3,684 92	50,187.19	8,550 87	1,450 44
Total	83,427.51	150,676 54	138,096 54	11,980 00	128,436.98	9,970 00	1,771 91	11,741 91	211,864.49	160,646 54	9,666 61
ARKANSAS.											
Batesville											
Little Rock											
Washington											
Huntsville											
Clarksville											
Champagnole											
Total											
FLORIDA.											
Tallahassee											
St. Augustine											

Statement of public lands sold, of cash and bounty land scrip received therefor, &c.—Continued.

Land offices.	Quantity sold for cash and bounty land scrip at and above the minimum price of $1 25, and amount received for the same, for the first half of the fiscal year ending Dec. 31, 1863.		Exhibit of the amount paid for in cash and in bounty land scrip respectively for the first half of the fiscal year ending December 31, 1863, mentioned in first column.		Quantity of land entered under homestead act of May 20, 1862, with aggregate of the $10 payments required by the second section of the act: and also with aggregate of commissions of registers and receivers, under sixth section of the said act.				Aggregate disposed of for cash, also bounty land scrip, and of cash under homestead act of 1862.		Incidental expenses.
	Acres.	Amount.	Cash.	Bounty land scrip.	Area in homestead entries, in acres.	Aggregate in $10 payments.	Am't of reg'rs' and rec'rs' commissions under 6th section of homestead act of 1862.	Aggregate of $10 payments and commissions.	Acres.	Amount.	
Newnansville											
Tampa											
Total											
IOWA.											
Fort Des Moines	808 32	$1,111 46	$1,111 46		1,515 68	$240 00	$32 39	$272 39	2,324 00	$1,351 46	$769 12
Council Bluffs	130 50	163 12	163 12		4,286 31	570 00	99 73	669 73	4,416 81	733 12	702 54
Fort Dodge	293 84	822 67	822 67		3,035 78	220 00	39 71	259 71	3,329 62	1,042 67	645 07
Sioux City	26 03	33 56	33 56		1,691 08	150 00	27 19	177 19	1,717 11	183 56	614 13
Total	1,258 69	2,130 81	2,130 81		10,528 85	1,180 00	199 02	1,379 02	11,787 54	3,310 81	2,730 86
WISCONSIN.											
Menasha	3,523 86	4,741 77	4,741 77		7,477 58	800 00	103 05	903 05	11,001 44	5,541 77	694 24
Falls of St. Croix	2,270 33	4,236 81	4,028 48	$208 33	9,602 99	830 00	152 01	982 01	11,873 32	2,416 26	702 92
Stevens's Point	1,501 00	1,876 26	1,876 26		4,727 84	540 00	64 60	604 60	6,228 84	9,735 22	576 40
Bayfield	1,937 15	4,906 57	4,906 57		300 55	20 00	3 76	23 76	2,237 70	4,730 02	877 93
Eau Claire	3,031 99	3,790 02	3,790 02		12,081 57	940 00	159 93	1,099 93	15,113 56	4,926 57	693 92
La Crosse	4,865 95	6,475 22	6,375 22	100 00	32,734 72	3,260 00	450 43	3,710 43	37,600 67	5,066 81	588 77
Total	17,130 28	26,026 65	25,718 32	308 33	66,925 25	6,390 00	933 78	7,323 78	84,055 53	32,416 65	4,134 18
MINNESOTA.											
Taylor's Falls	1,991 08	2,515 74	2,515 74		4,827 20	340 00	60 34	400 34	6,818 28	2,855 74	410 27
St. Cloud	2,011 04	2,678 70	1,911 04	767 66	16,179 18	1,200 00	220 73	1,420 73	18,190 22	3,878 70	558 57

Winnebago City	1,037 49	2,285 88	1,964 13	321 75	95,123 66	6,740 00	1,291 02	8,031 02	96,160 15	9,025 88	636 34
Minneapolis	587 70	1,071 99	571 99	500 00	11,857 13	1,110 00	203 68	1,313 68	12,441 63	2,181 99	640 73
Duluth	186 13	232 58	232 58		457 45	30 00	5 69	35 69	643 58	262 58	5 53 77
St. Peter	1,368 39	3,542 25	2,942 85	599 40	41,785 72	4,080 00	727 22	4,807 22	43,154 11	7,622 25	654 89
Total	7,181 83	12,327 14	10,138 33	2,188 81	170,231 14	13,500 00	2,568 08	16,068 08	177,410 97	25,827 14	3,404 57
CALIFORNIA.											
San Francisco	10,609 57	13,261 95	13,261 95		36,579 65	2,320 00	460 19	2,780 19	47,189 22	15,581 95	1,540 23
Los Angeles	200 00	250 00	250 00						200 00	250 00	1,160 27
Marysville	2,410 62	3,013 30	3,013 30		13,367 21	850 00	168 76	1,018 76	15,777 86	3,863 30	1,123 45
Humboldt	464 78	580 98	580 98		319 20	20 00	3 99	23 99	783 98	690 98	772 62
Stockton	8,107 06	10,133 87	10,133 87		8,373 16	540 00	104 67	644 67	16,480 22	10,673 87	1,190 63
Visalia	2,456 26	3,070 31	3,070 31		2,840 60	190 00	35 50	225 50	5,296 86	3,260 31	878 04
Total	24,248 29	30,310 41	30,310 41		61,479 85	3,920 00	773 11	4,693 11	85,728 14	34,230 41	6,665 24
OREGON.											
Oregon City	367 89	459 85	459 85		5,732 41	400 00	71 65	471 65	6,100 30	859 85	984 71
Roseburg											
Total	367 89	459 85	459 85		5,732 41	400 00	71 65	471 65	6,100 30	859 85	984 71
WASHINGTON TER.											
Olympia	15,029 71	18,787 20	18,787 20		25,150 43	1,610 00	314 13	1,924 13	40,180 14	20,427 20	1,930 43
Vancouver	17,248 42	21,588 30	21,588 30		35,955 31	2,370 00	449 29	2,819 29	53,203 73	23,958 30	1,898 50
Total	32,278 13	43,375 50	40,375 50		61,105 74	4,010 00	763 42	4,773 42	93,383 87	44,385 50	3,828 93
KANSAS.											
Topeka	315 60	381 99	381 99		31,211 15	2,140 00	401 12	2,541 12	31,526 75	2,521 99	534 48
Atchison	3 79	4 74	4 74		2,516 23	200 00	47 40	247 40	2,520 02	204 74	565 89
Humboldt	209 32	261 68	261 68		15,249 85	990 00	191 50	1,181 50	15,459 17	1,251 68	505 22
Junction City	67 15	83 95	83 95		19,422 39	1,370 00	264 29	1,634 29	19,489 54	1,453 95	621 37
Total	595 86	732 36	732 36		68,399 62	4,700 00	904 31	5,604 31	68,995 48	5,432 36	2,226 96
NEBRASKA TERRITORY.											
Omaha City	13,020 73	16,275 91	16,275 91		29,427 42	1,960 00	367 83	2,327 83	42,448 15	18,253 91	438 98
Brownsville	929 42	1,161 75	1,161 75		21,835 86	1,460 00	272 94	1,732 94	22,765 28	2,621 75	570 22
Nebraska City	288 78	360 97	360 97		14,318 89	850 00	167 73	1,017 73	14,607 67	1,210 97	499 54
Dakota City	81 50	101 87	101 87		1,699 79	120 00	22 49	142 49	1,781 29	221 87	502 02
Total	14,320 43	17,900 50	17,900 50		67,281 96	4,390 00	830 99	5,220 99	81,602 39	22,290 50	2,010 76

Statement of public lands sold, of cash and bounty land scrip received therefor, &c.—Continued.

Land offices.	Quantity sold for cash and bounty land scrip at and above the minimum price of $1 25, and amount received for the same for the first half of the fiscal year ending Dec. 31, 1863.		Exhibit of the amount paid for in cash and in bounty land scrip, respectively, for the first half of the fiscal year ending December 31, 1863, mentioned in first column.		Quantity of land entered under homestead act of May 20, 1862, with aggregate of the $10 payments required by the second section of the act; and also with aggregate of commissions of registers and receivers, under sixth section of the said act.				Aggregate disposed of for cash, also bounty land scrip, and of cash under homestead act of 1862.		Incidental expenses.
	Acres.	Amount.	Cash.	Bounty land scrip.	Area of homestead entries, in acres.	Aggregate in $10 payments.	Am't of reg'rs' and rec'rs' commissions under 6th section of homestead act of 1862.	Aggregate of $10 payments and commissions.	Acres.	Amount.	
NEW MEXICO TER.											
Santa Fé	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	$500 00
COLORADO TERRITORY.											
Golden City	1,941.18	$2,426 47	$2,426 47	.....	19,262.05	$1,340 00	$240 78	$1,580 78	21,203.23	$3,766 47	725 22
DAKOTA TERRITORY.											
Vermillion	168.56	210 71	210 71	.....	8,113 76	510 00	101 42	611 42	8,282.32	720 71	767 90

Statement of public lands sold, of cash and bounty land scrip received therefor, &c.—Continued.

RECAPITULATION.

States and Territories.	Quantity sold for cash and bounty land scrip at and above the minimum price of $1 25, and amount received for the same for the first half of the fiscal year ending Dec. 31, 1863.		Exhibit of the amount paid for in cash and in bounty land scrip, respectively, for the first half of the fiscal year ending December 31, 1863, mentioned in first column.		Quantity of land entered under homestead act of May 20, 1862, with aggregate of the $10 payments required by the second section of the act; and also with aggregate of commissions of registers and receivers, under sixth section of the said act.				Aggregate disposed of for cash, also bounty land scrip, and of cash under homestead act of 1862.		Incidental expenses.
	Acres.	Amount.	Cash.	Bounty land scrip.	Area of homestead entries, in acres.	Aggregate in $10 payments.	Am't of reg'rs' and rec'rs' commissions under 6th section of homestead act of 1862.	Aggregate of $10 payments and commissions.	Acres.	Amount.	
Ohio	10,403.55	$26,459 03	$24,566 91	$1,892 12	443.55	$60 00	$11 09	$71 09	10,847.10	$26,519 03	$1,354 58
Indiana											500 00
Illinois	326.79	769 96	622 95	147 01					326.79	769 96	724 79
Missouri	1,101.84	2,035 01	1,835 01	200 00	9,249.11	640 00	127 00	767 00	10,350.95	2,675 01	1,345 02
Alabama											
Mississippi											
Louisiana											
Michigan	83,427.51	150,676 54	138,696 54	11,980 00	128,436.98	9,970 00	1,771 91	11,741 91	211,864.49	160,646 54	9,666 61
Arkansas											
Florida											
Iowa	1,238.69	2,130 81	2,130 81		10,528.85	1,180 00	199 02	1,379 02	11,787.54	3,310 81	2,730 86
Wisconsin	17,130.28	26,026 65	25,718 32	308 33	66,925.25	6,390 00	933 78	7,323 78	84,055.53	32,416 65	4,134 18
Minnesota	7,181.83	12,327 14	10,138 33	2,188 81	170,231.14	13,500 00	2,508 08	16,008 08	177,410.97	25,827 14	3,404 57
California	24,248.29	30,310 41	30,310 41		61,479.85	3,920 00	773 11	4,693 11	85,728.14	34,230 41	6,665 24
Oregon	367.29	459 85	459 85		5,732.41	400 00	71 65	471 65	6,100.30	859 85	981 71
Washington Territory	32,278.13	40,375 50	40,375 50		61,105.74	4,010 00	763 42	4,773 42	93,383.87	44,385 50	3,828 93
Kansas	595.86	732 36	732 36		68,399.62	4,700 00	904 31	5,604 31	68,995.48	5,432 36	2,236 96
Nebraska Territory	14,320.43	17,900 50	17,900 50		67,281.96	4,390 00	830 99	5,220 99	81,602.39	22,290 50	2,010 76
New Mexico Territory											500 00
Dakota Territory	168.56	210 71	210 71		8,113.76	510 00	101 42	611 42	8,282.32	720 71	767 90
Colorado Territory	1,941.18	2,426 47	2,426 47		19,262.05	1,340 00	240 78	1,580 78	21,203.23	3,766 47	735 22
Total	194,750.83	312,840 94	296,124 67	16,716 27	677,190.27	51,010 00	9,236 56	60,246 56	871,941.10	363,850 94	41,470 33
To which add commissions received on homestead entries, as shown in the third column of section three										9,236 56	
										373,087 50	

Statement of public lands sold, of cash and bounty land scrip received therefor, number under sixth section of said act; also, of land located with scrip under the agricultural college value thereof, and statement of incidental expenses thereon, in the second half of the fiscal

States and Territories.	Land offices.	Quantity sold for cash and bounty land scrip at and above the minimum price of $1 25, and amount received for the same for the second half of the fiscal year ending June 30, 1864.		Exhibit of the amount paid for in cash and in bounty land scrip, respectively, for the second half of the fiscal year ending June 30, 1864, mentioned in first column.	
		Acres.	Amount.	Cash.	Bounty land scrip.
Ohio	Chilicothe	7,147.76	$23,650 22	$18,052 08	$5,598 14
Indiana	Indianapolis				
Illinois	Springfield	1,280.00	2,570 00	2,470 00	100 00
Missouri	Booneville	2,348.97	4,826 82	4,701 82	125 00
Do	Ironton	778.87	1,323 57	1,323 57	
Total		3,127.84	6,150 39	6,025 39	125 00
Alabama	St. Stephen's				
Do	Greenville				
Do	Huntsville				
Do	Tuscaloosa				
Do	Elba				
Do	Demopolis				
Do	Montgomery				
Do	Centre				
Total					
Mississippi	Washington				
Do	Paulding				
Do	Jackson				
Do	Columbus				
Total					
Louisiana	New Orleans				
Do	Opelousas				
Do	Monroe				
Do	Greensburg				
Do	Natchitoches				
Total					
Michigan	Detroit	1,409.82	1,762 29	1,562 29	200 00
Do	East Saginaw	8,354.15	11,920 13	11,820 13	100 00
Do	Ionia	3,891.77	6,612 54	6,612 54	
Do	Marquette	93,749.38	143,987 75	143,987 75	
Do	Traverse City	6,425.66	8,285 83	8,285 83	
Total		113,804.58	172,568 54	172,268 54	300 00
Arkansas	Batesville				
Do	Little Rock				
Do	Washington				
Do	Huntsville				
Do	Clarksville				
Do	Champagnola				
Total					
Florida	Tallahasse				
Do	St. Augustine				
Do	Newnansville				
Do	Tampa				
Total					
Iowa	Fort Des Moines	1,191.17	1,810 97	1,710 97	100 00
Do	Council Bluffs	371.70	714 63	714 63	
Do	Fort Dodge	3,488.35	4,584 43	1,850 43	2,734 00
Do	Sioux City	162.51	203 13	203 13	
Total		5,213.73	7,313 16	4,479 16	2,834 00

of acres entered under the homestead law of May 20, 1862, of commissions received and mechanic act of July 2, 1862, and commissions received by registers and receivers on the year commencing July 1, 1863, and ending June 30, 1864.

Quantity of land entered under homestead act of May 20, 1862, with aggregate of the $10 payments required by section 2 of the act, and also with aggregate of commissions of registers and receivers under section 6 of said act, and of act approved March 21, 1864, amendatory thereof, for the second half of the fiscal year ending June 30, 1864.				Aggregate disposed of for cash, also bounty land scrip and of cash under homestead act of 1862, & act amendatory.		Quantity of land loc'd in second half of fiscal year with scrip iss'd under Agr'l Col. and Mech. act of July 2, 1862, and reg's' and rec's' com'ns on value of land sold.		Incidental expenses.
Area in homestead entries—acres.	Aggregate in $10 payments.	Am't of reg's' & rec's' com'ns under sec. 6 of homestead act of 1862, & the amendatory act of 1864.	Aggregate of $10 payments and commissions.	Acres.	Amount.	Acres.	Amount.	Amount.
.....	.....	.....	.....	7,147.76	$23,650 22	.....	.....	$1,196 89
.....	.....	.....	.....	.....	.....	.....	.....	500 00
.....	.....	.....	.....	1,280.00	2,570 00	.....	.....	643 39
16,454.63	$1,490 00	$414 87	$1,904 87	18,803.60	6,316 82	.....	.....	1,282 28
448.00	30 00	13 10	43 10	1,226.87	1,353 57	.....	.....	550 93
16,902.63	1,520 00	427 97	1,947 97	20,030.47	7,670 39	.....	.....	1,833 21
.....	.....	.....	.....	.....	.....	.....	.....	.....

Statement of public lands sold, of cash and bounty land scrip received

States and Territories.	Land offices.	Quantity sold for cash and bounty land scrip at and above the minimum price of $1 25, and amount received for the same for the second half of the fiscal year ending June 30, 1864.		Exhibit of the amount paid for in cash and in bounty land scrip, respectively, for the second half of the fiscal year ending June 30, 1864, mentioned in first column.	
		Acres.	Amount.	Cash.	Bounty land scrip.
Wisconsin	Menasha	2,513.66	$3,117 09	$3,117 09	
Do	Falls of St. Croix	1,28 .35	1,598 19	1,598 19	
Do	Stevens's Point	5,151.41	6,879 11	6,879 11	
Do	Bayfield	6,351.36	8 033 86	7,933 86	$100 00
Do	Eau Claire	2,3:5.88	3,010 37	3,010 37	
Do	La Crosse	2,497.93	10,125 52	10,125 52	
Total		20,130.59	32,764 14	32,664 14	100 00
Minnesota	Taylor's Falls	1,2 9.03	1,664 92	1,664 92	
Do	St Cloud	5 521.43	7 903 12	7,094 37	808 75
Do	Winnebago City	2,562 42	3 928 75	3 728 75	200 00
Do	Minneapolis	2,495 84	5,095 58	4,895 58	200 00
Do	Duluth	2,220 33	2,775 41	2,775 41	
Do	St. Peter	3,135.77	5,943 53	5,849 78	93 75
Total		17,222.82	27.311 34	26,008 84	1,302 50
California	San Francisco	2.478.78	3,098 64	3,098 64	
Do	Los Angelos				
Do	Marysville	3,993.90	4,992 37	4,992 37	
Do	Humboldt	967.11	1,208 89	1,208 89	
Do	Stockton	6,316 45	7,895 59	7,895 59	
Do	Visalia	1,600.86	2,001 09	1,901 09	100 00
Total		15,357.10	19,196 58	19,096 58	100 00
Oregon	Oregon City	1,664.52	2,080 62	2,080 62	
Do	Roseburg	10,165.96	12,707 45	12,707 45	
Total		11,830.48	14,788 07	14,788 07	
Washington Territory	Olympia	8,0?0.15	15,353 79	15,353 79	
Do	Vancouver	5,791.55	7,039 45	7,039 45	
Total		13,811.70	22,393 24	22,393 24	
Kansas	Topeka	922.08	1,159 03	1,159 03	
Do	Atchison				
Do	Humboldt	372.91	466 32	466 32	
Do	Junction City	779.31	1,010 41	836 87	173 54
Total		2.074.30	2,635 76	2,462 22	173 54
Nebraska Territory	Omaha City	972.49	1,215 61	1,215 61	
Do	Brownsville	598.57	748 19	748 19	
Do	Nebraska City	733.86	917 32	917 32	
Do	Dakota City	73.18	91 55	91 55	
Total		2,378.10	2,972 67	2,972 67	
New Mexico Territory	Santa Fé				
Colorado Territory	Golden City	4,806.36	6,007 95	6,007 95	
Dakota Territory	Vermillion	466.96	583 70	583 70	
Nevada Territory	Carson City	19,370.75	24,260 51	24,260 51	

therefor, number of acres entered under the homestead law, &c.—Continued.

Quantity of land entered under homestead act of May 20, 1862, with aggregate of the $10 payments required by section 2 of the act, and also with aggregate of commissions of registers and receivers under section 6 of said act, and of act approved March 21, 1864, amendatory thereof, for the second half of the fiscal year ending June 30, 1864.				Aggregate disposed of for cash, also bounty land scrip and of cash under homestead act of 1862, & act amendatory.		Quantity of land loc'd in second half of fiscal year with scrip iss'd under Agr'l Col. and Mech. act of July 2, 1862, and reg's' and rec's' com'ns on value of said land.		Incidental expenses.
Area in homestead entries—acres.	Aggregate in $10 payments.	Am.'t of reg's & rec's' com ns under sec. 6 of homestead act of 1862, & the amendatory act of 1864.	Aggregate of $10 payments and commissions.	Acres.	Amount.	Acres.	nt.	Amount.
3,175.78	$370 00	$53 90	$423 90	5,689.44	$3,487 09	.....	.....	$579 48
2,769.90	290 00	55 65	345 65	4,057.25	1,888 19	.....	.....	586 20
22,487.89	2,410 00	441 14	2,851 14	27,642.21	9,289 11	160.00	$4 00	659 20
9,559.64	680 00	124 48	804 48	15,911.00	8,713 86	640.00	16 00	678 34
1,360.00	90 00	22 00	112 00	3,685.28	3,100 37	.....	.....	570 09
4,802.16	470 00	150 95	620 95	7,300.09	10,585 52	.....	.....	762 52
44,155.28	4,310 00	843 12	5,158 12	64,285.87	37,074 14	800.00	20 00	3,835 85
6,164.73	370 00	102 68	472 68	7,433.76	2,034 92	1,280.00	32 00	586 47
23,171.73	1,580 00	473 20	2,053 20	28,693.16	9,483 12	1,600.00	40 00	692 38
113,643.71	7,880 00	2,502 20	10,382 20	116,206.13	11,808 75	1,440.00	36 00	629 09
36,768.57	3,000 00	841 73	3,871 73	39,262.51	8,125 58	2,080.00	52 00	630 55
1,088.56	70 00	15 61	85 61	3,308.89	2,845 44	160.00	4 00	556 58
88,226.67	6,350 00	1,719 27	8,069 27	91,262.38	12,293 53	960.00	24 00	748 31
269,664.05	19,280 00	5,054 69	24,934 69	286,286.83	46,591 34	7,520.00	188 00	3,843 38
2,036.43	210 00	42 00	252 00	4,575.27	2,308 64	.....	.....	511 74
.....	.....	.....	.....	.....	.....	.....	.....	830 50
3,474.40	230 00	43 43	273 43	7,468.30	5,222 37	.....	.....	876 80
560.00	40 00	7 00	47 00	1,527.11	1,218 89	.....	.....	628 10
5,228.92	340 00	69 37	409 37	11,545.37	8,235 59	.....	.....	943 30
3,079.75	190 00	40 83	230 83	4,680.61	2,191 09	.....	.....	913 42
14,439.56	1,010 00	202 63	1,212 63	29,796.66	20,206 58	.....	.....	4,693 86
5,467.75	370 00	67 93	437 93	7,132.27	2,450 62	.....	.....	1,269 04
5,491.38	340 00	76 64	417 47	15,657.34	13,047 45	.....	.....	1,552 68
10,959.13	710 00	144 57	855 40	22,789.61	15,498 67	.....	.....	2,821 72
6,340.91	410 00	86 50	496 50	14,361.66	15,763 79	160.00	4 00	1,220 99
2,347.72	140 00	37 38	177 38	8,139.27	7,179 45	.....	.....	994 51
8,688.63	550 00	123 88	673 88	22,500.33	22,943 24	160.00	4 00	2,215 50
5,506.82	440 00	111 14	551 14	6,428.90	1,599 03	.....	.....	906 79
.....	.....	.....	.....	.....	.....	.....	.....	70 51
7,338.89	500 00	127 95	627 95	7,711.80	966 32	.....	.....	505 79
17,375.57	1,310 00	315 07	1,625 07	18,152.68	2,320 41	.....	.....	513 12
30,219.08	2,250 00	554 16	2,804 16	32,293.38	4,885 76	.....	.....	1,996 21
11,364.73	770 00	220 89	990 89	12,327.22	1,985 61	320.00	8 00	524 30
17,428.76	1,180 00	287 11	1,467 11	18,027.33	1,928 19	.....	.....	511 48
17,119.41	1,090 00	241 69	1,331 69	17,853.27	2,007 32	.....	.....	509 18
2,106.80	140 00	26 33	166 33	2,179.98	231 55	.....	.....	500 54
48,019.70	3,180 00	776 02	3,956 02	50,397.80	6,152 67	320.00	8 00	2,045 50
.....	.....	.....	.....	.....	.....	.....	.....	500 00
25,962.75	1,700 00	325 12	2,025 12	30,769.11	7,707 95	.....	.....	1,411 95
10,954.51	600 00	149 21	749 21	11,421.47	1,483 70	.....	.....	506 96
6,452.13	430 00	94 65	524 65	25,822.88	24,690 51	.....	.....	502 27

Statement of public lands sold, of cash and bounty

RECAPIT

States and Territories.	Quantity sold for cash and bounty land scrip at and above the minimum price of $1 25, and amount received for the same for the second half of the fiscal year ending June 30, 1864.		Exhibit of amount paid for in cash and bounty land scrip, respectively, for the second half of the fiscal year ending June 30, 1864, mentioned in first column.		Quantity of land entered un with aggregate of $10 pay of the act, and also with agg and receivers under section March 21, 1864, amendatory fiscal year ending June 30,	
	Acres.	Amount.	Cash.	Bounty land scrip.	Area of homestead entries in acres.	Aggregate in $10 payments.
Ohio	7,147.76	$23,650 22	$18,052 08	$5,598 14		
Indiana						
Illinois	1,280.00	2,570 00	2,470 00	100 00		
Missouri	3,127.84	6,150 39	6,025 39	125 00	16,902.63	$1,520 00
Alabama						
Mississippi						
Louisiana						
Michigan	113,804.58	172,568 54	172,268 54	300 00	79,351.80	5,760 00
Arkansas						
Florida						
Iowa	5,213.73	7,313 16	4,479 16	2,834 00	19,233.13	1,670 00
Wisconsin	20,130.59	32,764 14	32,664 14	100 00	44,155.28	4,310 00
Minnesota	17,229.82	27,311 34	26,008 84	1,302 50	269,064.01	19,280 00
California	15,457.10	19,196 58	19,096 58	100 00	14,439.56	1,010 00
Oregon	11,830.48	14,788 07	14,788 07		10,959.13	710 00
Washington Ter	13,811.70	22,393 24	22,393 24		8,688.63	550 00
Kansas	2,074.30	2,635 76	2,462 22	173 54	30,219.08	2,250 00
Nebraska Territ'y	2,378.10	2,972 67	2,972 67		48,019.70	3,180 00
New Mexico Ter						
Colorado Territ'y	4,806.36	6,007 95	6,007 95		25,962.75	1,700 00
Dakota Territory	466.96	583 70	583 70		10,954.51	600 00
Nevada Territory	19,370.75	24,260 51	24,260 51		6,452.13	430 00
Total	238,023.07	365,166 27	354,533 09	10,633 18	584,402.34	42,970 00

To which add number of acres located with agricultural scrip, and commission
Also, commissions received on homestead entries, as shown in column No. 3·o

land scrip received therefor, &c.—Continued.

ULATION.

der homestead act of May 20, 1862, ments required by the 2d section regate of commissions of registers 6 of said act, and of act approved thereof, for the second half of the 1864.		Aggregate disposed for cash, also bounty land scrip, and of cash under homestead act of 1862, and act amendatory.		Quantity of land located in the second half of the fiscal year, with scrip issued under the Agricol. & Mech. act of July 2, 1862, and registers' and receivers' com's on the value of the land sold.		Incidental expenses.
Am't of reg's' & receiv's' com's under sec. 6 of homes'd act of 1862, & the amd'ry act of '64.	Aggregate in $10 payments and commissions.	Acres.	Amount.	Acres.	Amount.	Amount.
		7,147.76	$23,650 22			$1,196 89
						500 00
		1,280.00	2,570 00			843 39
$427 97	$1,947 97	20,030.47	7,670 39			1,833 21
1,498 43	7,258 43	193,156.38	178,328 54	205,298.14	$5,159 96	8,343 90
406 74	2,076 74	24,446.86	8,983 16	320.00	8 00	2,743 97
848 12	5,158 12	64,285.87	37,074 14	800.00	20 00	3,835 85
5,654 69	24,934 69	286,286.83	46,591 34	7,520.00	188 00	3,843 38
202 63	1,212 63	29,796.66	20,206 58			4,693 86
144 57	854 57	22,789.61	15,498 07			2,821 72
123 88	673 88	22,500.33	22,143 24	160.00	4 00	2,215 50
554 16	2,804 16	32,293.38	4,885 76			1,996 21
776 02	3,956 02	50,397.80	6,159 67	320.00	8 00	2,045 50
						500 00
325 12	2,025 12	30,769.11	7,707 95			1,411 95
149 21	749 21	11,421.47	1,183 70			506 96
94 65	524 65	25,822.88	24,690 51			502 27
11,206 19	54,176 19	822,425.41	408,136 27	214,418.14	5,387 96	39,834 56
received thereon		214,418.14	5,387 96			
section 3			11,206 19			
		1,036,843.55	424,730 42			

Summary for the fiscal year ending June 30, 1864, *showing the number of stead laws of May* 20, 1862, *and March* 21, 1864, *with aggregate of* $10 *and Mechanic College scrip, under act of July* 2, 1862.

States and Territories.	Quantity sold for cash and bounty land scrip at and above the minimum price of $1 25, and amount received for the same for the fiscal year ending June 30, 1864.		Exhibit of the amount paid for in cash and bounty land scrip, respectively, for the fiscal year ending June 30, 1864, mentioned in first column.		Quantity of land entered on with aggregate of $10 pay of the act, and also with agg and receivers under section March 21, 1864, amendatory June 30, 1864.	
	Acres.	Amount.	Cash.	Bounty land scrip.	Area of homestead entries in acres.	Aggregate in $10 payments.
Ohio	17,551.31	$30,109 25	$42,618 99	$7,490 26	443.55	$60 00
Indiana						
Illinois	1,606.79	3,339 96	3,092 95	247 01		
Missouri	4,229.68	8,185 40	7,860 40	325 00	26,151.74	2,160 00
Alabama						
Mississippi						
Louisiana						
Michigan	107,232 09	223,245 08	310,965 08	12,280 00	207,788.78	15,730 00
Arkansas						
Florida						
Iowa	6,472.42	9,443 97	6,609 97	2,834 00	29,761.98	2,850 00
Wisconsin	37,260.87	58,790 79	58,382 46	408 33	111,080.53	10,700 00
Minnesota	24,404.65	39,638 48	36,147 17	3,491 31	439,295.15	32,780 00
California	39,605.39	49,506 99	49,406 99	100 00	75,919.41	4,130 00
Oregon	12,198.37	15,247 92	15,247 92		16,691.54	1,110 00
Washington Ter.	46,089.83	62,768 74	62,768 74		69,794.37	4,360 00
Kansas	2,670.16	3,368 12	3,194 58	173 54	98,618.70	6,950 00
Nebraska Territ'y.	16,698.53	20,873 17	20,873 17		115,301.66	7,570 00
New Mexico Ter.						
Colorado Territ'y.	6,747.54	8,434 42	8,434 42		45,224.80	3,040 00
Dakota Territory.	635.52	794 41	794 41		19,068.27	1,110 00
Nevada Territory.	19,370.75	24,260 51	24,260 51		6,452.13	430 00
Total	432,773.90	678,007 21	650,657 76	27,349 45	1,261,592.61	93,980 00

acres disposed of for cash, with bounty land scrip, by entry under the homestead payments, homestead commissions; also, locations with Agricultural

der homestead act of May 20, 1862, ments required by the 2d section regate of commissions of registers 6 of said act, and of act approved thereof, for the fiscal year ending		Quantity of land located in the fiscal year, with scrip issued under the Agricultural College & Mechanic act of July 2, 1862, and registers' & receiv's' com's on the value of the land sold.		Aggregate disposed of for cash, also bounty land scrip, Agricultural College scrip, cash under homestead act of 1862, and act amendatory.		Incidental expenses.
Am't of reg's' & re-c'v's' com's under sec. 6 of homest'd act of 1862, and the amd'ry act of 1864.	Aggregate in $10 paym'ts and commissions.	Acres.	Amount.	Acres.	In value equal to—	Amount.
$11 09	$71 09	.....	.....	17,994.86	$50,180 34	$2,551 47
.....	.....	.....	.....	.....	.....	1,000 00
.....	.....	.....	.....	1,606.79	3,339 96	1,568 18
554 97	2,714 97	.....	.....	30,381.42	10,900 37	3,078 23
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
3,270 34	19,000 34	205,298.14	$5,159 96	610,319.01	347,405 38	18,010 51
.....	.....	.....	.....	.....	.....	.....
605 76	3,455 76	320.00	8 00	36,554.40	12,907 73	5,474 83
1,781 90	12,481 90	800.00	20 00	149,141.40	71,292 69	7,970 03
8,162 77	40,943 77	7,520.00	188 00	471,219.80	80,769 25	7,247 95
975 74	5,905 74	.....	.....	115,524.80	55,412 73	11,359 10
216 22	1,326 22	.....	.....	28,889.91	16,574 14	3,806 43
887 30	5,417 30	160.00	4 00	116,044.20	63,220 04	6,044 43
1,458 47	8,408 47	.....	.....	101,388.86	11,776 59	4,223 17
1,607 01	9,177 01	320.00	8 00	132,320.19	30,058 18	4,056 26
.....	.....	.....	.....	.....	.....	1,000 00
565 90	3,605 90	.....	.....	51,972.34	12,040 32	2,137 17
250 63	1,360 63	.....	.....	19,703.79	2,155 04	1,274 86
94 65	524 65	.....	.....	25,822.88	24,785 16	502 27
20,442 75	114,422 75	214,418.14	5,387 96	1,908,784.65	797,817 92	81,304 89

Statement exhibiting the quantity of land certified to the States under the railroad grants of 1850, 1852, 1853, 1856, *and* 1857.

States.	Dates of laws.	Number of acres certified under the grants up to June 30, 1863.	Number of acres certified for the year end'g June 30, 1864.	Number of acres certified for the 5th quarter ending Sept. 30, 1864.	Total number of acres certified.
Illinois	Sept. 20, 1850	2,595,053.00			2,595,053.00
Missouri	June 10, 1852 Feb. 9, 1853	1,815,435.00			1,815,435.00
Arkansas	Feb. 9, 1853	1,465,297.00			1,465,297.00
Michigan	June 3, 1856	2,493,857.45	151,689.38		2,645,546.83
Wisconsin	June 3, 1856	896,374.85	629,992.05	158,894.24	1,685,261.14
Iowa	May 15, 1856	2,770,702.26			2,770,702.26
Louisiana	June 3, 1856 Aug. 11, 1856	1,072,405.45			1,072,405.45
Mississippi	Aug 11, 1856	171,550.00			171,550.00
Alabama	May 17, 1856 June 3, 1856 Aug. 11, 1856	1,868,275.00			1,868,275.00
Florida	May 17, 1856	1,759,160.00			1,759,160.00
Minnesota	Mar. 3, 1857	1,439,020.99	75,499.44	202,397.48	1,716,917.91
		18,347,131.00	857,180.87	361,291.72	19,565,603.59

GENERAL LAND OFFICE, *August* 16, 1864.

Statement exhibiting the quantity of land certified to the States under the railroad grants of 1856 *and* 1857.

States.	Number of acres certified under the grants up to Sept. 30, 1863.	Number of acres certified for the year end'g June 30, 1864.	Number of acres certified for the 5th quarter ending Sept. 30, 1864.	Total number of acres certified.
Iowa	2,770,702.26			2,770,702.26
Michigan	2,493,857.45	151,689.38		2,645,546.83
Minnesota	1,439,020.99	75,499.44	202,397.48	1,716,917.91
Wisconsin	1,183,874.19	342,492.71	158,894.24	1,685,261.14
Florida	1,759,160.00			1,759,160.00
Alabama	1,868,275.00			1,868,275.00
Mississippi	171,550.00			171,550.00
Louisiana	1,072,405.45			1,072,405.45
	12,758,845.34	569,681.53	361,291.72	13,689,818.59

GENERAL LAND OFFICE, *August* 17, 1864.

Statement exhibiting the quantity of land selected for the several States under the acts of Congress approved March 2, 1849, September 28, 1850, and March 12, 1860, up to and ending September 30, 1864.

States.	Fourth quarter of 1863.	First quarter of 1864.	Second quarter of 1864.	Third quarter of 1864.	Year ending June 30, 1864.	Total since date of grant.
	Acres.	*Acres.*	*Acres.*	*Acres.*	*Acres.*	*Acres.*
Ohio						54,438.14
Indiana						1,354,732.50
Illinois						3,267,470.65
Missouri						4,604,448.75
Alabama						479,514.44
Mississippi						3,070,645.29
Louisiana, (act 1849)						10,774,978.82
Louisiana, (act 1850)						543,339.13
Michigan						7,273,724.72
Arkansas						8,652,432.93
Florida						11,790,637.46
Wisconsin						3,449,238.28
Iowa						2,579,976.29
California						
Oregon						
Minnesota	753,160.00					753,160.00
Total	753,160.00					58,648,737.40

Statement exhibiting the quantity of land approved to the several States under the acts of Congress approved March 2, 1849, and September 28, 1850, up to and ending September 30, 1864.

States.	Fourth quarter of 1863.	First quarter of 1864.	Second quarter of 1864.	Third quarter of 1864.	Year ending June 30, 1864.	Total since date of grant.
	Acres.	*Acres.*	*Acres.*	*Acres.*	*Acres.*	*Acres.*
Ohio						25,640.71
Indiana						1,251,115.51
Illinois						1,434,544.96
Missouri						3,819,713.79
Alabama						2,595.51
Mississippi						3,068,642.31
Louisiana, (act 1849)						8,192,305.64
Louisiana, (act 1850)						237,949.09
Michigan						5,482,832.40
Arkansas						7,283,763.13
Florida						10,901,067.76
Wisconsin						2,193,832.34
Iowa						631,892.33
California						
Oregon						
Minnesota						
Total						44,528,835.53

Statement exhibiting the quantity of land patented to the several States under the act of Congress approved September 28, 1850, and also the quantity certified to the State of Louisiana under act approved March 2, 1849.

States.	Fourth quarter of 1863.	First quarter of 1864.	Second quarter of 1864.	Third quarter of 1864.	Year ending June 30, 1864.	Total since date of grant.
	Acres.	*Acres.*	*Acres.*	*Acres.*	*Acres.*	*Acres.*
Ohio						25,640.71
Indiana						1,256,367.56
Illinois						1,272,906.96
Missouri						2,575,508.73
Mississippi						2,681,383.16
Louisiana, (act 1850)						199,598.07
Louisiana, (act 1849)						8,192,305.64
Michigan						5,592,901.52
Arkansas						6,011,357.03
Florida						10,644,468.04
Wisconsin						2,241,000.55
Iowa						*596,405.12
Total						41,289,843.09

*17,650.43 acres of this contained in indemnity patent under act of March 2, 1855.

Condition of bounty land business under acts of 1847, 1850, 1852, and 1855, showing the issues and locations from the commencement of the operations under said acts to September 30, 1864.

ACT 1847.

Grade of warrant.	Number issued.	Acres embraced thereby.	Number located.	Acres embraced thereby.	Number outstanding.	Acres embraced thereby.
160 acres	80,623	12,899,680	75,267	12,042,720	5,356	856,960
40 "	7,582	303,280	6,243	249,720	1,339	53,560
Total	88,205	13,202,960	81,510	12,292,440	6,695	910,520

ACT 1850.

160 acres	27,436	4,389,760	26,525	4,244,000	911	145,760
80 "	57,707	4,616,560	52,269	4,181,520	5,438	435,040
40 "	103,961	4,158,440	91,105	3,644,200	12,856	514,240
Total	189,104	13,164,760	169,899	12,069,720	19,205	1,095,040

ACT 1852.

160 acres.....	1,222	195,520	929	148,640	293	46,880
80 "	1,698	135,840	1,382	110,560	316	25,280
40 "	9,063	362,520	7,564	302,560	1,499	59,960
Total.....	11,983	693,880	9,875	561,760	2,108	132,120

ACT 1855.

160 acres.....	103,490	16,558,400	88,419	14,147,040	15,071	2,411,360
120 "	96,513	11,581,560	84,438	10,132,560	12,075	1,449,000
100 "	6	600	5	500	1	100
80 "	49,213	3,937,040	43,705	3,496,400	5,508	440,640
60 "	357	21,420	271	16,260	86	5,160
40 "	532	21,280	423	16,920	109	4,360
10 "	5	50	3	30	2	20
Total.....	250,116	32,120,350	217,264	27,809,710	32,852	4,310,640

SUMMARY.

Act 1847	88,205	13,202,960	81,510	12,292,440	6,695	910,520
Act 1850	189,104	13,164,760	169,899	12,069,720	19,205	1,095,040
Act 1852	11,983	693,880	9,875	561,760	2,108	132,120
Act 1855	250,116	32,120,350	217,264	27,809,710	32,852	4,310,640
Total.....	539,408	59,181,950	478,548	52,733,630	60,860	6,448,320

REPORT OF THE COMMISSIONER OF INDIAN AFFAIRS.

DEPARTMENT OF THE INTERIOR,
Office Indian Affairs, November 15, 1864.

SIR: In submitting my fourth annual report, I deem it proper, before proceeding to make a particular statement in regard to each of the superintendencies and independent agencies from which reports have been received, to make some suggestions of a general nature as to the policy heretofore pursued towards the Indians, and to call your attention to some subjects which do not especially relate to the superintendencies and agencies.

A requirement of the Indian service, which, on account of our rapidly extending settlements, and the consequent organization of new Territories and admission of new States, is becoming daily of more pressing importance, and requiring at our hands immediate consideration and appropriate legislative and executive action, is the setting apart of portions of the public domain to be held exclusively for the use of the Indians. That the Indians have a usufruct right, or right of occupancy, in all that part of the national territory wherein the same has not been extinguished, is a principle which has been established by the highest judicial tribunals of our land, and has been recognized from the earliest period of our national existence. Notwithstanding, however, the authoritative and imposing sanction which has been extended to this right, it is found that, as our settlements advance, the Indians, through the instrumentality of treaty negotiations, by military force or by stress of circumstances which they are powerless to resist, are compelled to retire before them.

From a glance at the history of our relations with the Indians, it will appear that we have been governed by the course of events, rather than by the adoption of a well-settled policy. The early settlers of the country everywhere met with a kind reception from the Indians, but as the settlements increased in numbers and extended their borders, it soon became manifest to the Indians that their hunting-grounds were being invaded and their limits gradually restricted. Their feelings of hospitality were in time changed to sentiments of bitterest hostility, and that dark page of our national history, containing a recital of our numerous Indian wars, and the peculiarly bloody and barbarous scenes attending them, has been the result. As our borders have been extended, and civilization with its attendant blessings has taken possession of the once unbroken wilderness-home of the Indians, treaties have been negotiated with them from time to time, and uniformly, and in almost innumerable instances, they have been recognized as a separate and distinct people, possessing in a restricted sense the peculiarities and characteristics of distinct nations. These treaties, with but few exceptions, have defined by natural metes and bounds the portion of the public domain which, from the time of their negotiation, were, by their terms, to be regarded as the separate and exclusive homes of the respective tribes with which they were negotiated; and it would form a not uninstructive subject of inquiry to investigate and define the various portions of the States, now exclusively occupied by our own people, which at times have been set apart under the sanction of solemn treaties for the *exclusive* use of the Indians; and if in connexion with this inquiry the actual causes which have led to the removal of the different tribes from the districts thus formally dedicated to their use were investigated, it is greatly to be feared that, in a majority of instances, the result would not be highly creditable to our national reputation for honor and integrity in the strict observance of the nation's plighted faith. Be this as it may, it was perhaps inevitable, owing to the peculiar character of the Indians, that they should retire as their country became occupied by the whites. Thus far they

seem to form an exception among all people whose territories have been overrun and wrested from them by a foreign race; for while it has been found in all other instances that a people thus situated have gradually assimilated and become incorporated with, and, as it were, absorbed by the superior nation, the Indians still adhere to their tribal organizations, and pertinaciously maintain their existence as distinct political communities. In this connexion the remarks upon this subject of the able and distinguished jurist, late Chief Justice Marshall, in delivering the opinion of the court in the case of Johnson and Graham's lessee *versus* William McIntosh, (5 Condensed Reports, p. 515,) are peculiarly apposite. Said he: "Although we do not mean to engage in the defence of those principles which Europeans have applied to Indian titles, they may, we think, find some excuse, if not justification, in the character and habits of the people whose rights have been wrested from them.

"The title by conquest is acquired and maintained by force. The conqueror prescribes its limits. Humanity, however, acting upon public opinion, has established as a general rule that the conquered shall not be wantonly oppressed, and that their condition shall remain as eligible as is compatible with the objects of the conquest. Most usually, they are incorporated with the victorious nation, and become subjects or citizens of the government with which they are connected. The new and old members of the society mingle with each other; the distinction between them is gradually lost, and they make one people. Where this incorporation is practicable, humanity demands, and a wise policy requires, that the rights of the conquered to property should remain unimpaired, that the new subjects should be governed as equitably as the old, and that confidence in their security should gradually banish the painful sense of being separated from their ancient connexions, and united by force to strangers.

"When the conquest is complete, and the conquered inhabitants can be blended with the conquerors, or safely governed as a distinct people, public opinion, which not even the conqueror can disregard, imposes these restraints upon him, and he cannot neglect them without injury to his fame and hazard to his power.

"But the tribes of Indians inhabiting the country were fierce savages, whose occupation was war, and whose subsistence was drawn chiefly from the forests. To leave them in the possession of their country was to leave the country a wilderness; to govern them as a distinct people was impossible, because they were as brave and high-spirited as they were fierce, and were ready to repel by arms every attack on their independence.

"What was the inevitable consequence of this state of things? The Europeans were under the necessity either of abandoning the country, and relinquishing their pompous claims to it, or of enforcing those claims by the sword, and by the adoption of principles adapted to the condition of a people with whom it was impossible to mix, and who could not be governed as a distinct society, or of remaining in their neighborhood and exposing themselves and their families to the perpetual hazard of being massacred.

"Frequent and bloody wars, in which the whites were not always the aggressors, unavoidably ensued. European policy, numbers, and skill prevailed. As the white population advanced, that of the Indians necessarily receded. The country in the immediate neighborhood of agriculturists became unfit for them. The game fled into thicker and more unbroken forests, and the Indians followed. The soil to which the crown originally claimed title, being no longer inhabited by its ancient inhabitants, was parcelled out according to the will of the sovereign power, and taken possession of by persons who claimed immediately from the crown, or mediately through its grantees or deputies.

"The law which regulates, or ought to regulate, in general, the relations between the conqueror and the conquered was incapable of application to a people under such circumstances. The resort to some new and different rule, better

adapted to the actual state of things, was unavoidable. Every rule which can be suggested will be found to be attended with great difficulty."

The difficulty here suggested, of defining a line of policy in all respects adapted to the relations between the two races, has not as yet been surmounted. It is, however, I think, clearly deducible from the foregoing statements, fully corroborated by our past history, that the white and the red man cannot occupy territory in common, and it follows that a policy which shall be adequate, and adapted to the requirements of the case, must provide for each race a separate abiding-place. It was this necessity, I doubt not, which originated the comparatively modern system of Indian reservations; and this system, so far as it goes, can but be regarded as a step in the right direction. It is, however, subject to very grave objections, arising chiefly from the fact that, as our settlements are pushed forward, the numerous small reserves are surrounded by whites, with whom the Indians are thus brought into almost immediate contact, and this is almost invariably disastrous to the Indians, since it is found that they much more readily adopt the vices of our civilization than its virtues and advantages. It is obvious that this close contact of the two races cannot be wholly obviated, since they must necessarily occupy contiguous portions of the same territory; but, in my judgment, the evils consequent upon the necessity of the case may be mitigated to such an extent as to be hardly appreciable when compared with their present magnitude. In my last annual report the plan of concentrating the Indians was suggested. Time has only served to strengthen my convictions that this is the only method by which the great defects incident to our present policy may be amended. There should be no delay in setting apart, by suitable legislation, portions of the public domain for the exclusive use of the Indians. The tracts to be thus set apart should be limited to the least possible number. It is believed that the number need not exceed five, and that it may be confined to three. These Indian territories should be selected with especial reference to their adaptation to the peculiar wants and requirements of the Indians, and protected by the most stringent legislation against encroachment by the whites. Even if fully matured, which is far from being the case, the full details of the proposition here submitted would be inappropriate to a report like the present; but I apprehend that the subject, in all its bearings, whether it be considered as a measure of justice and humanity to the Indians, in its economical aspects, or as a measure designed to reclaim a barbarous and heathen race, whose destiny is intimately dependent upon the policy we may pursue, will, in the light of past experience, commend itself to the favorable consideration of all who earnestly seek a satisfactory solution of that most difficult of all political problems, viz: Indian civilization.

The policy of negotiating treaties with Indian tribes has recently attracted a large share of public attention, and it may not, therefore, be considered inappropriate to again allude to the subject. The singular pertinacity with which the Indians, as a race, maintain their tribal organizations has already been remarked, and their aversion to a union with our own people, as evidenced by their entire history during the period that has elapsed since the discovery of the western continent, has also been noted. Indeed, it seems to have been taken for granted by all who have engaged in the discussion of this question, that they are to be regarded and treated as a separate and distinct people; and this being the case, it follows that, whatever may be the policy adopted, they cannot be permitted to roam at will throughout those portions of the country which are occupied by our own people. It is, then, a necessity that there should be a common understanding between the two races as to the extent and boundaries of the districts to be inhabited by the Indians, the laws by which they are to be governed, and the reciprocal duties and obligations resting upon each race, whether regarded as individuals or distinct communities.

There are two methods by which this mutual understanding may be had. First, by availing ourselves of our overwhelming numerical, physical, and intellectual superiority, we may set apart a country for the use of the Indians, prescribe the laws by which they shall be governed, and the rules to be observed in the intercourse of the two races, and compel a conformity on the part of the Indians; or, secondly, we may, as has been the almost universal practice of the government, after resorting to military force only so far as may be necessary in order to induce the Indians to consent to negotiate, bring about this understanding through the instrumentality of treaties to which they are parties, and as such have yielded their assent. Fortunately the immense disparity in the relative power and resources of the two races enables us to pursue either of these methods, and it is therefore incumbent upon us to adopt that course which, judged by past experience, is best calculated to produce the desired results, viz: the security of our frontier settlements, and the ultimate reclamation and civilization, and consequently the permanent welfare, of the Indians. By the one course, it is contemplated that the independence of the Indians shall be entirely ignored, and that they shall be reduced to absolute subjection; by the other, that they shall not be altogether deprived of their sense of nationality and independence as a people. By the one course, the most savage and vindictive traits of their national character will be fostered and perpetuated; by the other, they will be gradually led to a more hopeful view of their situation, and to regard us as friends, seeking their elevation as a race. By the one course, they will ever regard us as merciless despots and tyrants, who have deprived them of their homes and liberties; by the other, while they are effectually taught their utter inability to cope with us as belligerents, they will gradually learn to appreciate the advantages of civilization and its attendant blessings. To my mind, the advantages of the latter over the former policy seem so apparent that I can hardly realize that the former is seriously advocated. So far as I have observed, the arguments of the advocates of a military government for the Indians are mainly based upon economical grounds rather than upon its humanitarian aspects. I feel perfectly confident that, upon any fair investigation and comparison, it will be found that, even in this view, the advantages of the latter over the former policy are immensely in favor of the system which contemplates the adjustment of our relations with the Indians by means of treaties. The Indians of New Mexico, with but trifling exceptions, have been managed by the former policy; those of the Indian territory by the latter; and these two districts of the country, it seems to me, afford a fair practical test of each line of policy. In New Mexico, from the time of its acquisition, and for a long period anterior thereto, military operations have been almost continuous; while in the Indian country, from the time of its occupation by the Indians down to the breaking out of the great rebel ion, it was seldom necessary to invoke the aid of the military, and during all that time not a dozen complaints were ever made, from any quarter, by reason of depredations committed by the Indians against the whites. I have heretofore so frequently and fully presented my views upon this subject, that I will not now further extend these remarks than to simply express my firm conviction that no better system for the management of the Indians, and the relations which must necessarily exist between them and our own people, can be devised than that which has heretofore prevailed to so large an extent, and which contemplates the fixing of the rights, duties, and obligations of each race towards the other through the instrumentality of treaties.

Inasmuch as our best hopes of the welfare of the Indian tribes depend upon the influence which we can exert upon the rising generation, the question of their education becomes a very important one, and the experience of many years has furnished an ample test of the different methods of education as applied to the youth of both sexes. I have had occasion to urge the establish-

ment and liberal support of manual labor schools in all cases where practicable, as distinguished from the ordinary day schools. Our reports this year from the various agencies fully confirm my opinion on this subject as heretofore expressed. The attendance upon the day schools is generally irregular, and the pupils are so frequently kept away by their parents, sometimes for a long period of time, as to lose the little knowledge that they have gained in the elementary branches of education, while no influence has been exerted upon them to make them appreciate the dignity and real independence of labor. On the contrary, the children, male and female, who are taken to the boarding schools, and reside there permanently, properly fed and clothed, taught at regulated hours to read and write and to understand such of the simple branches of education as are necessary for their condition in life, and at other hours to labor in the garden and fields, or, as to the girls, in the various branches of household duties, are found to make real and valuable progress. Regarding these schools, then, under proper conduct, as the main hope for permanent good to the Indians, I can but repeat my former recommendations that a liberal policy be pursued by Congress in regard to appropriations for their support, wherever the opportunity is presented for establishing them on a safe and permanent basis.

The other suggestions I desire to submit are, first, as to the necessity of an appropriation of funds, in addition to the appropriations usually made, to be used in cases of emergency; and second, the necessity of an increase in the clerical force employed in this bureau.

In the course of our military operations against the Indians, it is oftentimes the case that many hundreds of Indians are taken captives or otherwise assembled at military posts established upon the remote frontier, where no adequate provision has been made for furnishing them with the ordinary necessaries of life. The accompanying papers, relating to the California and New Mexico superintendencies, will illustrate this subject, and show the embarrassments to which not only this department, but also the military authorities are subjected. It is likewise not unfrequently the case that the crops planted by or for Indians upon their reserves, and the esculent roots upon which they so largely rely, are cut off by drought, or fail from other causes; and when, in connexion with this misfortune, the Indians are unsuccessful in their hunts, the utmost suffering necessarily ensues, unless provision is made by this department to supply their wants. Annuity goods, en route for the Indians, are sometimes lost by the burning or sinking of steamers upon the western rivers. When any of these circumstances occur, provision must be made to supply the wants of the Indians, or they must be left to suffer. As the necessity has not been anticipated, there is, of course, no appropriation applicable to the emergency, and whatever may be done must be upon the faith that Congress will thereafter appropriate the amount necessary to pay for the needed supplies, which in the mean time must be bought upon credit and from parties who are not only willing to wait for the action of Congress, but are also willing to take upon themselves the risk that no action will be had. Of course supplies cannot be bought upon these terms upon as favorable rates as would be the case if the government was prepared to make immediate payment; and it would therefore frequently relieve this department from great embarrassments, and at the same time be more economical, if a fund were appropriated for these purposes, to be used only in cases of urgent necessity, and at the discretion of the Secretary of the Interior, with the approval of the President; and in case of the expenditure of the whole, or any part thereof, a report of such expenditure, with the necessity for the same, to be made to the next succeeding Congress.

The necessity for an increase of the clerical force of this office has been for some time apparent. The regular force of the office consists of sixteen clerks, appointed under various acts of Congress, passed in the years 1853, 1854, and

1857, and seven extra clerks, paid from specific annual appropriations. An examination of the records of the office will show that since the year 1857 the amount of its business has very much more than doubled; and the result is, that the office is under a continual necessity of employing additional clerical assistance. It is therefore earnestly recommended that Congress be requested to authorize, by permanent legislation, the appointment of such number of clerks as will be adequate to the transaction of the current business of the office.

WASHINGTON SUPERINTENDENCY.

Superintendent Hale represents the affairs of the Indians lately under his charge as generally prosperous, and the people peaceably disposed towards each other and the whites. In the case of one small tribe, however, the Quillehutes, a white man had been killed by them, and the tribe had thus far refused to surrender the offender, and defied the power of the government, there being no sufficient military force at hand to compel submission.

Definite action by government is called for to extinguish certain claims to lands upon Indian reservations, the holding of which by whites is a great obstacle to the improvement of the Indians. The superintendent especially refers to cases at the Port Madison and Chehalis reservations, both of which have been the subjects of reports to the department; and it is hoped that a satisfactory settlement of them both may be soon obtained.

During the last summer Superintendent Hale visited the tribes in the north-eastern portion of the State, for whom the commanding officer at Fort Colville has thus far acted as Indian agent, *ex officio*, and embracing the following tribes, viz: the San Poicilles, Okanagans, Lake Indians, Pend d'Oreilles, Cœur d'Alenes, Spokanes, and Colvilles. These tribes were found to be disposed to remain on friendly terms with the whites, and willing that they should travel through their country, but indisposed to any treaty, or cession of land. Many of them show a desire to cultivate their lands, and ask for aid in the form of seeds and tools. They number about 5,000 souls.

Agent Howe, at the Tulalip agency, has under his charge the following tribes, numbering 3,675 persons, viz: at the Tulalip reservation, the Snohomis, Sno Malmies, and Skwamish; at Port Madison, the Du Wamish; at Perry's island, the Shaget and Sno Domish; at the Lummi reservation, the Lummis, Noot Sach, and Samish. The general condition of these Indians is good and decidedly promising, as will be seen by the special reports of the teachers and other employés. They have eighty-nine frame houses, 1,300 fruit trees set out, have raised over 15,000 bushels of vegetables and thirty tons of hay, and 80,000 feet of lumber have been sawed for and used by them.

Agent Webster, in charge of the Makahs, at Neeah bay, numbering 654 souls, reports them in good condition, and their school-house—from the completion of which, and establishment of the school on a good foundation, much is expected—as nearly ready for occupation. There have been seventy-six scholars in attendance at the school during the year. The tribe owns property valued at $30,000.

Agent Bancroft, of the Yakama agency, furnishes in his reports the most gratifying evidence of the progress of the people of his charge towards civilization and Christianity, ascribed mainly to the successful working and influence of the manual labor school. Some 200 acres of land have been cultivated, producing about 5,800 bushels of grain; and the scholars, besides making good progress in education, have, in the hours devoted to labor, earned more than $2,000 towards paying the expenses of the school and the agency.

Agent Elder represents the four tribes under his charge—the Puyallups, Nisquallies, Squaxsins, and Chehalis—as prosperous, well satisfied, and peaceable, except in regard to the Squaxsins, who are located upon an island, on poor

soil, and where they are exposed to bad influences from the whites. The agent recommends the sale of their reservation, and the removal of the tribe to the Puyallup reservation, which is ample in extent. It is worthy of notice that, during the past year, a case has occurred here in which a white man has been tried, convicted, and sentenced to long imprisonment for killing an Indian, as great dissatisfaction has often been expressed (and is referred to in the report of Agent Howe this year) on account of the failure to punish well-established cases of outrage by whites upon the Indians, while the offences of the latter are followed with great severity.

Much embarrassment has arisen in this superintendency, as well as the others upon the Pacific coast, as the result of the depreciation in the currency.

OREGON.

The progress made during the past year by the various Indian tribes of Oregon which have heretofore come within the control of the Indian department, in the knowledge of agriculture, in industry, and the disposition and ability to sustain themselves by the cultivation of the soil, has been gratifying indeed, as will be seen by examination of the annual report of Superintendent Huntington, and the documents accompanying it. Most of the friendly Indians have remained quietly upon their reservations, except when absent by permission of the agent in charge, or aiding as scouts by arrangement with the military authorities engaged in hostilities with the southeastern bands of Oregon; and a large number who had heretofore strayed away from their proper locations have been sought out and returned to their homes.

The reports from the several agencies at the Umatilla, Warm Springs, Grande Ronde, and Siletz reservations, and the Alsea sub-agency, are very full in the detail of their operations.

The first named of these, the Umatilla reservation, in the northeastern portion of the State, under the charge of Agent Barnhart, presents a very gratifying state of affairs among the confederated bands of Walla-Wallas, Cayuses, and Umatillas, there located, and numbering some seven hundred and twenty souls. There are also some three hundred Walla-Wallas nominally in charge of this agency, but who have never consented to remove to the reservation, preferring their roving life about the upper waters of the Columbia river. The estimated value of the property of the Indians upon the reservation is over $200,000, mostly consisting of some eight thousand horses and two thousand head of cattle. It is true that these large herds of stock are owned by some twenty-five or thirty of the Indians, thus leaving the remainder of the people comparatively poor in marketable stock, but there have been fenced some fifteen hundred acres of good land, of which seven hundred and twenty-six acres have been cultivated by the Indians alone, and many of them have made such progress in agriculture that they need henceforward no assistance. The agent records with satisfaction the fact that one Indian would have a surplus of $1,000 worth of produce for sale, and a dozen others from $200 to $500 worth beyond what is necessary for their own wants and those of their families. The agent recommends the allotment of land in severalty for the use of these Indians, deeming them abundantly capable of managing for themselves, but thinks that the agency farm must necessarily be kept in operation for the support of the aged and decrepit who are unable to labor.

Difficulty is apprehended in the future, indeed has already commenced, from the increasing travel of whites through the reservation, its location being upon the most direct road from southern Oregon to the gold fields of Idaho and Montana. It would be a subject of much regret to be compelled to remove a people who now promise so well from a reservation to which they have become attached, and which they have, with their own industry, put under cultivation.

In the course of the last summer's hostilities against the Snake Indians, the Cayuses exhibited their friendship for the whites by furnishing a party of active and efficient scouts, who returned to their reservation proud of having served their "great white father."

Agent Logan, of the Warm Springs reservation, having under his charge the Indians known as the "Confederated bands of Middle Oregon," reports that considerable excitement has existed during the spring and summer, arising from the attacks of bands of the Snake Indians, who carried off much stock from the reservation. The confederated bands showed no reluctance to take up the hatchet with the white troops sent out against the Snakes, and at one time raised a force of seventy warriors and sent them to join Captain Drew, in command of the United States forces. All, however, were sent back except a few, who did good service as scouts. The confederated bands number one thousand and sixty-six souls. Although they have suffered considerably by the raids of the hostile Indians, and their crops were much injured by grasshoppers and frost, yet they are represented to be in reasonable comfort. They have two thousand horses and one hundred and sixty head of cattle, have three hundred and fifty acres of land under cultivation, exhibit evidence of improvement in the arts of agriculture, have quite a number of good frame-houses, and will have more whenever they can obtain lumber. An act was passed at the last session of Congress, providing for carrying into effect the recommendation made in my last annual report for effecting an arrangement with these Indians by which they should, upon the payment of a moderate sum in necessary agricultural implements or other useful articles, yield a right which they have to leave their reservation for the purpose of fishing. Upon the consummation of this arrangement, and the restriction of the Indians to the cultivation of the soil, their condition will be greatly improved.

The reports from the Indians of the coast reservations are generally of a favorable character. At the Siletz agency Agent Simpson reports a steady improvement, the people remaining quietly upon their reservations and at work. The farming season had been rather unfavorable, but the crops were looking well. Some 1,200 acres had been planted, and many valuable improvements made by the Indians, who have over one hundred good log dwellings. A school had been in operation, in which fifteen boys had learned to read, but the teacher had resigned on account of the insufficiency of his salary. The running of the mills had been much interfered with by low water.

The Grande Ronde agency shows a much improved state of affairs, the Indians who had left the reservation having been again brought together, and some six hundred acres of land put under cultivation by their labor. About three thousand six hundred acres of land were enclosed, and the affairs of the agency, under Agent Harvey, now have an encouraging aspect. The saw-mill has been in good order and rendered good service, but the grist-mill needs considerable repairs. The manual labor school was producing good results.

At the Alsea sub-agency Agent Collins has under his charge five hundred and thirty Indians of the Syouscous, Alseas, Coose, and Umpqua tribes, and reports favorably in regard to them; they had cultivated eighty-four acres of land.

All of the agents concur in recommending that allotments be made to the Indians of lands in severalty, in order that they may individually see and enjoy the rewards of their own labor. They also concur in the opinion that the system of day schools is unfitted for the permanent benefit of the Indians; and that manual labor schools, where the children can be kept permanently under the control of the teachers, while they contribute by their labor to their own support, are doing good, and should alone be relied upon. In regard to both of these points the opinion of Superintendent Huntington concurs with those of the several agents; but in regard to the subject first referred to, that of allotments of land, he recommends that such allotments be made, not in fee-simple, with the power

of alienation by deed, but only for the *use* of the Indian party and his heirs, and that the quantity allotted to each family be eighty acres. While the reports from all of the agencies concur in favoring this policy, there seems to exist a difference as to the state of preparation of the Indians for it; and, perhaps, good policy may require that the experiment should be tried upon that one of the reservations where there is the best prospect of success, which seems to be the Umatilla reservation.

Some difficulty has occurred from the persistent determination of certain white parties to take possession of locations at the mouth of the Aquina river, in the coast reservation, for an oyster and fishing station, contrary to the positive orders of the agent in charge. One party, who had been forcibly removed by military aid, called in by Agent Simpson, brought suit against him for damages. Upon the representations of the superintendent of the importance of the case, the employment of counsel at a reasonable rate was authorized to defend the agent. The case has been continued over to the December term of the court, at which time it is understood that the rights of the United States, under the treaty made with the Indians in 1855, will be brought in question, and the superintendent has been furnished with the necessary evidence.

In regard to the treaty of 1855, just referred to, I had occasion to remark at some length in my last annual report, and to urge that some action should be taken by government for the fulfilment of its stipulations, the Indians having faithfully complied with their part of the agreement. They abandoned large tracts of land to the United States, now occupied by the whites, and promptly removed upon the reservation proposed for their residence, and have since continued to reside upon it. Without repeating here the language of my previous report, I beg leave to refer you to its statement of the facts in the case, and to add that, in my judgment, some speedy action should be taken by the department under which these Indians may be led to respect the good faith of the government. If it is not deemed proper, by a formal ratification of the treaty of 1855, to concede the original right of the Indians to the soil, some other arrangement can be made which will be equally satisfactory to them; and your attention is especially invited to the remarks of Superintendent Huntington upon this subject.

Early in the year 1864 Mr. Steele, then superintending agent of the northern district of California, apprehending hostilities from sundry bands of Indians, among whom were the Klamath Lake and Moadoc tribes, who occupy a district of country about equally divided between California and Oregon, took occasion to visit them and inviting their chiefs to a council, at which also appeared the chiefs of several tribes of California Indians. He succeeded in inducing them to abandon their hostile intentions, and to promise peace with each other and with the whites, which promise has been kept with almost entire faithfulness. I have included among the papers published with this report an interesting letter from Mr. Steele to Hon. Mr. Harding, senator from Oregon, furnishing valuable information relative to the tribes who inhabit the region of country referred to.

At the same time that Mr. Steele was thus occupied, a bill was pending in Congress making an appropriation of $20,000 to enable your department to consummate treaties of friendship with the tribes referred to, as well as those of southeastern Oregon. Under date of June 22, after the passage of the act in question, the superintendents of Oregon and California (Mr. Austin Wiley having succeeded Mr. Steele) were designated as commissioners to negotiate the desired treaties. Upon conference with Superintendent Wiley, Mr. Huntington found that the latter would not be able to proceed with him to attend to the contemplated business, and accordingly went alone to Fort Klamath, where he found the chiefs of the Klamaths and Moadocs friendly and expressing a willingness to go upon a reservation. Their number is said to be some twelve fifteen or hundred. An arrangement was made by which a formal grand council was to

be held October 8, 1864, at which, it is presumed, a treaty of friendship was made, though no official advices have been received.

The sum of $10,000, one-half of the appropriation made by Congress, was placed at the disposal of Superintendent Huntington to enable him to carry out the design of the law. On receiving his reply to the office letter of June 22, 1864, in which he shows clearly the impossibility of including in the same treaty the Klamath and Modoc Indians, and the Snakes and others of southeastern Oregon, the further sum of $10,000, being the balance of the appropriation by Congress, was placed at his disposal, and he was authorized to use so much of it as should be necessary for the purpose of effecting a treaty of amity with the southeastern Indians. The military operations of the summer have resulted, it is understood, in such punishment of the hostile tribes that they will be willing to treat, and be induced to observe the terms of any treaty made with them. We may then hope to see the end of the long course of expensive hostilities with the Indians of southern Oregon, and to find the great highways of travel safe for those who frequent them; while the Indians themselves may be expected, under their new relations to the government, to participate in the great benefits to be derived from their being reclaimed from a wandering life and settled upon reservations, which have resulted so happily in the case of their brethren in the northern and western portions of the State.

CALIFORNIA.

In order to avoid numerous difficulties and much expense which have resulted in past years in the administration of Indian affairs in California, from the existence of two superintending agencies, both having their headquarters at San Francisco, an act was passed at the last session of Congress, entitled "An act to provide for the better organization of Indian affairs in California." This act provides for the establishment of one superintendency for the State. It also provides for reducing the number of reservations, so that there shall be not exceeding four, and the Secretary of the Interior is authorized to purchase the improvements of such settlers as may be rightfully upon any of the reservations; a report of the appraisements of these improvements to be made to Congress, that appropriations may be made to pay for them. For each of the reservations finally established one agent is authorized to be appointed. All offices not authorized by this act are abolished.

Under the provisions of this act Austin Wiley, esq., was appointed superintendent, filed his bond and oath of office May 26, 1864, and entered upon his duties. From the reports submitted by him, and accompanying this, it will be seen that much has already been done to bring the affairs relative to the Indians of that State into a more satisfactory condition by the adoption of the policy recommended in my last annual report.

From Superintendent Wiley's last communication, with which were forwarded sketches of the four existing reservations, it will be seen that the aggregate amount of land reserved is 31,761 acres, much the largest portion of which is in the Mendocino reservation, which is recommended to be abandoned. I do not include here the reservation provided for in the treaty with the Hoopa Valley Indians, though those Indians are named in the following enumeration. There were upon the reservations, at the date of Mr. Wiley's last report, the following number of Indians, viz: Smith River, 745; Round Valley, 950; Mendocino, 750; Tule River, 800; Hoopa Valley, 600; total, 3,845. Upon these reservations the crops of the last year had yielded about 3,800 bushels of grain, 350 tons of hay, besides a large quantity of potatoes, peas, beans, &c., and there were 800 head of horses and cattle and 400 hogs upon these lands.

Very soon after Superintendent Wiley entered upon his duties the Indians who

still remained upon the abandoned reservation near Fort Tejon were removed to the Tule River farm, together with all government property. An ample supply of food was raised upon the farm for all the Indians placed upon it. The horses and mules from the Tejon reservation were taken to Round valley.

Mr. Wiley's reports in regard to the fertility of Round valley, and its peculiar fitness for an Indian reservation, as furnishing several thousand acres of arable land, well watered, and isolated from white settlements, concur with our previous accounts of that locality, and he has been authorized to take the preliminary steps to settle with the rightful white claimants of a portion of the land, and to procure title for some additional distance around the valley, so as to more completely isolate the occupants from the whites, and with a view to remove to this reservation the Indians now in the scattered settlements upon the Mendocino reservation. This removal might have been made early in the last summer, but it was deemed advisable to delay the movement until the crops were harvested. The Indians from the Mendocino reservation will have their condition much improved by the removal, and much expense will be avoided.

In Mr. Wiley's communication of June 1 he had alluded to the war still in progress with the Klamath, Redwood, and Trinity Indians, and which was referred to in my last annual report. Several hundred of these Indians had been taken prisoners, and were held in safe-keeping at Humboldt Bay by the United States military authorities. It was proposed by the superintendent in this communication, as also in a later one, that these prisoners, with such others as should be captured, and the remainder of the hostile Indians, when they should be brought to submission, should be taken into his charge and placed on a reservation to be selected south of San Francisco. Under date of July 9, I replied to this proposition that this office could not consent to the selection of another reservation for the purpose so long as that in Round valley was, as was conceded, sufficient for the accommodation and subsistence of a much larger population; neither could I consent to the superintendent's selecting a temporary home for these prisoners, and taking them under the charge of the department. I informed Mr. Wiley that there were no funds available for the temporary subsistence of these Indians, but that, whenever the military operations had closed with the submission of the hostile bands, they could all be concentrated on the Round valley reservation.

Under date of June 30 the superintendent reported upon the condition of the Indians upon the Round Valley and Mendocino reservations. Everything appeared in a favorable condition at the first-named reservation, but the general result of the examination of the other locality confirmed the impression before entertained of the good policy of removing the occupants to Round valley and abandoning the Mendocino reservation. As the reservation at Smith river would thus be the only one left upon the northern coast, I repeat my recommendation that arrangements should be made for the purchase of the land now leased for the use of the Indians of that locality. As a measure of true economy, it would seem to be clearly advisable that the government should purchase these lands and become their permanent owner, provided they can be obtained at a reasonable rate, rather than continue to rent them at five dollars per acre.

More recently a communication from Mr. Wiley was received, enclosing a copy of an agreement made with the band of Indians of Trinity river, so long hostile, the fact of their submission having been made known to Mr. Wiley by General Wright, commanding the department of the Pacific. This agreement provides for concentrating the Indians on the Hoopa valley, a fertile tract of land, of sufficient extent, and quite isolated from the white settlements. The claims of the settlers now upon the lands for improvements must be disposed of under the provisions of the law of April, 1864.

The proposed arrangement seems to me an excellent one in many respects, as

establishing the lately hostile Indians upon a reservation sufficiently large and fertile for their wants, and putting an end to hostilities which have been very expensive to the government and disastrous to both whites and Indians. In order that no time may be lost in consummating the arrangement, I have, with your concurrence, instructed Mr. Wiley to appoint, without delay, not exceeding three honest and discreet persons to make the valuation of the improvements of white settlers lawfully in the Hoopa valley, as contemplated by the act of April 8, 1864. The result of this appraisal will be submitted to you as soon as received, in order to its transmission to Congress for approval, should you deem it just and reasonable.

On the whole, I think there is reason for gratification at the degree of success which has thus far and so soon resulted from the change in the system of administration of Indian affairs in California, both in regard to the economy with which the operations of the superintendency can be carried on, as well as the better care taken of the Indians. It is to be regretted that no reports of the progress of the small remnant of this people in education and religion and moral training can yet be given, but there is reason to hope that in this respect good results will follow their concentration upon fewer reservations, in more compact bodies, where their physical wants may be more easily supplied, and the Indians kept in a great degree from the contamination and destruction of body and soul resulting from their association with vicious and unscrupulous white men. The government ought, in justice to its own honor, to endeavor to help the feeble remnants of the old California tribes to obtain at least some faint glimpses of a nobler humanity before they disappear from the face of the earth; and the only hope of doing this exists, in my judgment, in the faithful continuance of the policy now adopted.

NEVADA.

The reports from Hon. James W. Nye, governor and *ex officio* superintendent of Indian affairs of this Territory, and from Agents Lockhart and Burch, which are herewith submitted, give satisfactory information in regard to the various tribes inhabiting that country. Those of most importance are the Washoes, in the northwest, on the eastern slope of the Sierra Nevada mountains; the Pah-Utes, who have two reservations, (Walker river, about 75 miles northeast of Carson city, and Truckee, about the same distance to the southeast, but most of the Indians living off the reservations the greater portion of the year;) the Shoshonees, most of whom are in Utah, three bands being within the limits of Nevada; the Pannakés, who are a powerful tribe ranging between the Rocky mountains and the Pacific, about one hundred and thirty miles north of the sink of the Humboldt river, and the Humboldt river Indians. Besides these are the Tosowes and Moadocs, of whom we have very little definite information.

Quiet has generally prevailed among all of these Indians during the present year, and a disposition to be at peace with the whites. The efforts made by the agents to induce the Indians to cultivate the soil have resulted in finding them tractable and willing to work. These efforts have been mostly confined to the Pah-Utes, at the Truckee River reservation, where a great deal of labor has been performed in digging an irrigating canal from the dam which was constructed in connexion with a contemplated saw-mill. The long drought, however, and the failure of the usual amount of snow during the last winter, rendered it useless to attempt to erect the mill, and the failure of water to fill the dam rendered futile for this year to a great extent the work upon the canal. The crops, in consequence, have been very light. While, therefore, the state of affairs is most gratifying, so far as the peaceable conduct of the Indians is concerned, it is expected that a portion of them will require aid to some extent

during the winter. In regard to the Pah-Utes, numbering some two thousand, the suggestion is made by Agent Lockhart that the sum of five thousand dollars be used in the purchase of cattle, which can be had at low prices in California, to be kept in the valleys to be slaughtered during the winter to supply the wants of the Indians. The rapid settlement of the country by whites, and the constant prospecting expeditions of miners in every direction, resulting in driving off the game, and the destruction by cattle of the bunch grass, upon the seeds of which, ground into flour, the Indians are largely dependent, are given as reasons for the destitution of food; added to which cause is the fact that the pine trees bore no nuts this year. This destitution prevails more particularly among the Indians of the Humboldt river.

The Shoshonees have been entirely peaceable since the treaty of friendship made with them early in the summer by Governor Nye and Governor Doty of Utah Territory, acting as commissioners on the part of the United States; and the great overland mail and telegraph route, passing for four hundred miles through Nevada Territory, has been undisturbed by any of the tribes rightfully within the bounds of that superintendency. A portion of this tribe is upon the Ruby Valley reservation.

By correspondence with Agent Lockhart I have endeavored to bring about a reduction in the expenses of this superintendency by reducing the number of local agents and employés; and though the peculiar locality and ranges of the various tribes relative to the overland route seem to require the presence of several agents, yet the services of two local agents and the teachers and interpreters have been dispensed with, to the relief of the treasury to the extent of their salaries.

The friendly services of the chief of the Pah-Utes, Wan-ne-muc-ka, were used by Agent Burch in bringing Pas-se-quah, chief of the Pannakés, to a council, at which the latter agreed to keep his people from acts of hostility towards the large body of emigrants which was expected to pass through the country over which they range. The promise had been faithfully kept down to the time of Agent Burch's report, August 1, 1864, except on one occasion, when some of his people drove off a lot of cattle, which were promptly returned on demand being made of the chief. This tribe claims to own, and occupies for the purpose of grazing, hunting, and fishing during part of the year, a fertile valley, known as the Pueblo valley, of sufficient capacity for a population of twenty-five or thirty thousand people, and the white settlers have already taken possession of large portions of it.

How the Indians of this superintendency, now friendly, and in ordinary seasons able to subsist themselves upon the natural products of the soil, are to be preserved in friendly relations to the government and the white settlers, while their resources are being rapidly destroyed by the spread of white settlements throughout the country inhabited by them, is a question which is rapidly assuming an important aspect. The pine trees, whose nuts they gather for food, are being cut down; the grass, upon the seeds of which they have largely depended, is being eaten off by the cattle of the settlers, and the valleys where their stock has found pasturage, are being occupied by them. If reservations are to be obtained upon which the Indian population is to be concentrated, it would seem that economy and good policy demand that no time be lost in undertaking the selection and location of them as soon as possible. The sooner this is done, less outlay will be necessary to purchase the improvements of the settlers.

UTAH SUPERINTENDENCY.

At the date of my last annual report advices of the negotiation of treaties of peace and friendship with several of the tribes of Indians of Utah, as well as of Idaho, whose range lies along the great overland route, had been received, and the annual report of Governor Doty, in relation to the affairs of his superintendency, and particularly in reference to these treaties, was received in time to be published in the Appendix. In addition to the treaties, verbal or written, referred to in my last report, as having been already made, and from which great good was expected to result in securing a peaceable transit of emigrants throughout the great routes of travel, two other treaties were forwarded by Governor Doty, under date of October 21, 1863, having been effected by him, in conjunction with General Conner, commanding the United States forces in Utah Territory, to whose energy and good judgment, combined with the bravery of his troops in their previous operations against the Indians, great credit is due, as having impressed the latter with a wholesome idea of the power of the white man, and disposed them to seek for peace. The two treaties referred to were made—the one October 12, 1863, at Tuilla valley, with the Shoshonee bands of the Goship tribe, and the other October 14, at Soda Springs, Idaho Territory, with the mixed bands of Shoshonees and Bannacks, of Snake River valley. After negotiating these two treaties, Governor Doty and General Conner had the pleasure of announcing that there remained no hostile tribe along the routes of travel to Nevada and California. In a later letter from Governor Doty, much valuable information is given in relation to the various bands and tribes of Indians whom he had visited, and with whom he had treated, and an approximate estimate of their numbers is given.

The various treaties thus made were transmitted to the Senate in due course. They were all returned from the Senate, confirmed, but with amendments, which amendments were forwarded to Governor Doty with instructions to obtain the assent of the Indians to them. There is not in our files any acknowledgment by him of their receipt, neither does Superintendent Irish, who succeeded Governor Doty, allude to them in his report. In the letter of instructions sent with the amendments to the treaties, it was suggested that, inasmuch as there existed no appropriation to defray the expenses of getting the Indians together to obtain their consent thereto, the object might be attained at the time of the payment of their annuities.

The subject of abandoning the several small reservations in Utah, and concentrating the Indians upon one large reservation, known as the Uintah valley, has been frequently urged upon the attention of this office, but for want of proper information as to the locality and its resources, and on account of the hostility of, and pending military operations against, several of the tribes, nothing has yet been accomplished in that direction. In January, 1864, a memorial was received from the legislature of Utah, asking that the smaller reservations might be surveyed and opened to the whites for settlement, and by the act of Congress approved May 5, 1864, provision was made for their survey, and for the permanent reservation of Uintah valley a as home for the Indians of Utah. An appropriation of $30,000 was also made for the purpose of preparing homes on the reserve for those Indians who should be removed to it, and for aiding them in becoming self-supporting, by means of agriculture. The Uintah valley had been by order of the President, as recommended by this office, set apart for the exclusive occupation of the Indians as long ago as October, 1861, but in the imperfect geographical knowledge of the country, its exact limits could not be defined. The tract set apart by following what are supposed to be dividing ridges, so as to include the whole region traversed and drained by the Uintah river and its upper branches down to its junction with the Green river, is un-

derstood to be ample in extent, containing two million acres, abounding in valleys of great fertility, with all the necessary water-power for mills, and having an abundance of timber; indeed, as being admirably adapted for the purposes of a large Indian reservation. Many of the Indians exhibit a desire to be placed upon it, and undertake in earnest the pursuit of agriculture. A difficulty presents itself in the want of accurately surveyed lines, so that, by the exclusion of whites from them, the Indians may be left in undisturbed possession, and I recommend that application be made to Congress for an appropriation for the purpose of making this survey; but meantime the superintendent has been directed to warn all white settlers now on the tract to leave it, (describing it as fully as possible,) and to notify all other white persons, who may be found upon the reservation when its limits shall be definitely established, that they will be required to remove. The superintendent has further been instructed to prepare and submit, as soon as possible, a plan for removing the Indians from the old reservations to the Uintah valley. It is confidently expected that the most gratifying results will follow the completion of the plans thus set on foot for the concentration of the Indians in their new homes.

Superintendent Irish, who succeeded Governor Doty in charge of Indian affairs in this Territory, did not arrive at Great Salt Lake City until August 25, having waited some time at Nebraska city, in the expectation of taking with him the annuity goods, upon the prompt distribution of which much seemed to depend in regard to preserving peace with the Indians. It is to be regretted that, in consequence of apprehended danger of Indian hostilities upon the plains, the goods were not shipped from Nebraska city until late in August, and were therefore not expected to arrive at their destination in less than three months, if indeed they are not delayed on the way until spring. Some apprehension is therefore felt lest the Indians, who have kept their faith and observed the terms of the treaties made with them, should become dissatisfied and hostile, some symptoms of such feeling having exhibited themselves already; and the superintendent was urged by Governor Doty and General Conner to make, if possible, some temporary arrangements in advance of the arrival of the goods, so as to prevent an outbreak. At the last dates received Mr. Irish had sent presents to the principal chief, and invited him, with four others, to come and see him, when, it was hoped, some satisfactory arrangement would be effected.

NEW MEXICO.

I regret that I am unable to report any decided improvement in the condition of the Indians of this Territory.

For reasons which have been set forth in former reports, the care and control of the tribes of this superintendency is enormously expensive to the government, although, from the fact that military operations have been almost constant for a long period of time, that expense has been generally felt through the War Department rather than the Indian Office; and yet, with all the expense attendant upon their management, we are enabled to see very little improvement in their condition, whether we look for the development of a desire to abandon the nomadic life, and settle down to the arts of peace, or simply for a willingness to abandon their acts of hostility against the whites. Nevertheless, some progress is being made towards a solution of the problem. We are learning more of the country and its people, their manners and customs, their sympathies and antipathies; the tribe which has given most trouble has been very severely punished by the various military expeditions sent against it, and the larger portion of its number are prisoners; and there is reason to hope that by a cordial co-operation of the civil and military authorities of the government in that distant Territory a good result may be finally reached.

No material change has occurred with the Pueblo Indians. Living for the most part quietly in their villages, occupying and cultivating their lands upon the grants confirmed to them by the Spanish kings, they are a quiet, well-disposed people. The report of their agent, Mr. John Ward, abounds in interesting facts relative to them and the lands which they occupy. From the fact that they hold these lands by metes and bounds defined with reasonable accuracy in the old grants, these Indians require to be treated with a different policy from that which is applicable to most of the tribes with whom we have to deal; indeed, as the Pueblos are self-supporting, and ask no aid from government towards their subsistence, they only need that degree of care which an enlightened and christianized humanity demands of the government of the United States towards its wards. The villages of these quiet people contain no gold to tempt the white man, and the Indians will doubtless continue to occupy their homes and cultivate their lands, and the opportunity to do them good should not be lost. Long ago they had schools among them, and many of them could read and write in the Spanish language, which they speak; but for the eighteen years since New Mexico came into the possession of the United States there has been no school, and the people have greatly retrograded in this respect. In the year 1857 an appropriation of ten thousand dollars was made by Congress to furnish them with agricultural and other tools, but the articles purchased do not seem, to any great extent, to have reached the Indians, and a moderate amount of money would be well expended in this direction. Superintendent Steck suggests that an appropriation be asked for of ten thousand dollars for the purpose of establishing schools for this people, and giving them blacksmith shops for the repair of their tools, &c. I recommend the suggestion to your favorable consideration, believing that this people are in the best condition to be benefited by such expenditure, and that by thus placing them again on the highway towards the goal of civilization, they will gradually become merged in the general population of the country, forget their distinctive customs and laws, and require no further special care from the government. They number about seven thousand souls, and occupy some nineteen villages in the central portion of the Territory.

The Maquahache band of Utahs, under the charge of Agent Maxwell, have remained generally quiet during the past year. On account of their destitute condition, there being no means at the control of the department to assist them, they have been led to commit some depredations; but it is hoped that they will before long consent to go to the Conejos reservation, provided for the Utah bands of Colorado, in the treaty made last year with the Tabequache band of the same tribe. They have been given to understand that they can only receive their presents from government by joining the other bands of their tribe, above referred to.

With the western bands of Utahs, however, a different state of things exists, and they express the greatest unwillingness to go upon a reservation and cultivate the soil, although very friendly in their disposition towards the white people generally. How long this good disposition is likely to continue, as the white population presses upon them, and the game, seeds, and fruits upon which they depend for subsistence gradually disappear, can only be determined by the event. If they shall see that those bands of their tribe who are provided for by treaty are comfortable upon reservations, they will probably be also induced to abandon their nomadic life. Meantime Superintendent Steck, in order to avoid the necessity of Indians from these bands passing through the white settlements to get to their agency, has directed the removal of the agency to Terra Amarilla. The superintendent thinks that ultimately these bands will consent to settle down in the valley of San Juan, in the southwestern part of the Territory.

The Apaches, of which there are two tribes, the Mescaleros and Jicarillas, show no decided marks of improvement over the state of things previously re-

ported, save in the continued success of the small band of Mescaleros, who have for two seasons been located as prisoners at the Bosque Rodondo, near Fort Sumner. They have done so well at this point, and provided for themselves so comfortably, that it was anticipated that not only would the remainder of their band be prevailed upon to come upon the Bosque Rodondo reservation, (which had been enlarged to forty miles square by order of the President, for the purpose of making it a home for both of these bands of Apaches,) but it was thought that the Jicarillas would also come in; but the movement of the Navajo prisoners upon this reservation has put an effectual stop to all these calculations, and the Apaches are discouraged and fearful at the presence of their ancient enemies, and many of those Mescaleros who have been quietly pursuing their farming avocations near Fort Sumner complain of losing their labor and its fruits. Agent Keithly, after numerous interviews with leading men among the Jicarillas, finds very little disposition in them to abandon their roving habits, but states that the great mass of the people would favor the change if they were encouraged by their leaders.

The subject of the Navajoe Indians has been continually before the department, in one form or another, during the present year, as in the past, and I have quite fully indicated my views of the proper policy to be pursued in regard to them. Hence I do not deem it necessary to enter upon any lengthy discussion of the subject here, but beg leave to refer you to the able report of Superintendent Steck, which is very full and clear upon the points at issue. The differences between Brigadier General Carleton and Superintendent Steck upon this subject are, of course, honestly entertained by both gentlemen. They have the same end in view—the pacification of the Indians, and arrangements for their permanent good—and it is to be regretted that there should be any difference as to the proper policy to be pursued. The Navajoes have thus far been left to the military authorities during and since the campaign against them. The larger portion of them, subdued and captured, are, and have been for a long time, prisoners at the Bosque Rodondo, in the eastern (having been brought from their homes in the western) portion of the Territory. This office and its agents have had, until recently, no means at their disposal with which to feed and care for these seven thousand Indians, leaving out of view entirely the question as to whether the policy of bringing them eastward was a good one or not.

The sum of one hundred thousand dollars, appropriated by Congress for the benefit of the Navajoes has been mostly, if not all, expended in their behalf. Is it not time to stop here, and deliberately consider what policy is the best for permanent peace—what for the ultimate good of the Indians—what can be accomplished with the greatest facility, at the least expense, with the best hope of success? If the policy of removing the whole tribe of Navajoes from their own country to the Bosque Rodondo is to be continued, and the War Department to be charged with the care and expense of managing them, this office is divested of all responsibility beyond its general interests in the subject, and the effect to be produced upon other tribes for whom it is properly held responsible to the extent of the means at its disposal. If again, after removing the Navajoes to the eastern reservation, it is contemplated that they shall be turned over to this department, the question of the amount of the appropriation for their support, to be made by Congress, becomes a matter requiring early and careful attention. According to the information furnished in the accompanying papers, this amount can only be counted by millions. On the other hand, if the views presented now in the annual report of Superintendent Steck, and heretofore in communications from him, and in reports from this office, shall, on full consideration, prevail, and it shall be concluded that good policy, economy, and humanity demand that the Navajoes shall be placed upon a reservation in their own country, where they have always been able to subsist themselves, the question of the necessary

appropriation by Congress is as pressing, but the amount of that appropriation will be very greatly reduced.

Some determination, it would seem, should be made. The course suggested by Superintendent Steck, in case it shall be determined to find a place for these Indians in the country formerly occupied by them, is that a joint commission, consisting of the superintendents of New Mexico and Arizona, (which last named Territory is largely interested in the subject,) together with a military officer, be designated, with instructions to select a reservation; and Mr. Steck mentions a district on the Colorado Chiquito as one to which a portion of the tribe, as long ago as 1860, had agreed to go and plant their crops. This plan contemplates the erection of a fort in that locality, and its permanent occupation by a garrison; but it is thought that no more troops will be required in the aggregate than are now deemed necessary in the Territory.

I beg leave respectfully to urge an early and full consideration of this whole subject, with a view to the establishment of a just and sound policy. Until this is done, our relations with the Indians of New Mexico must remain in an unsatisfactory condition at great expense to government. In order that accurate information, from a source unprejudiced by the previous discussion of the subject, may be obtained as to the present condition of, and best course to be pursued towards, the Navajoes, I have, with your approbation, designated Hon. T. W. Woolson, of Iowa, as a special commissioner to proceed at once to New Mexico, and after making the necessary inquiries, make report to this office. His report will be submitted to you immediately on its reception, which, it is hoped, will be in time for action at the approaching session of Congress.

ARIZONA.

From the report of Charles D. Poston, superintendent of Indian affairs together with that of J. Ross Browne, special agent of the Interior Department, much valuable information is obtained in relation to the Indian tribes of the newly organized Territory of Arizona. The estimate of the number of these Indians, as made by Agent Poston and published with the office report of 1863, was 58,100 souls, but more full knowledge gained by visiting the tribes results in diminishing this estimate considerably, and it is probable that 40,000 would cover the whole number.

On his way out to his field of labor, Mr. Poston met at Salt Lake City several Moqui chiefs who had come to ask protection from the Navajoes. This tribe is peaceable and friendly to the whites, and the account given of their character and traditional origin is very interesting. They are estimated to number some seven thousand souls.

Superintendent Poston found the Yumas diminished in numbers, since the advent of the whites to their country, from 5,000 to 1,500, and suffering from want of food, owing to the failure of the Colorado river to overflow its banks and irrigate the bottom lands upon which they raise, in ordinary seasons, a sufficient subsistence. A small supply of food was given to them, and promises of further aid.

The Pimas and Maricopas, confederate tribes living on the Gila river, about one hundred miles above the confluence of that stream with the Colorado, were visited by Mr. Poston. They were found to be an agricultural people, considerably advanced in rude civilization, and independent of aid from government, raising sufficient food for their wants and a surplus for sale. A school has been opened among this people, and the superintendent recommends that a blacksmith be employed by the government to reside among them for the repair of their implements of industry. A quantity of cotton seed was given to them, and they were urged to renew their attention to the culture of this staple, in which they had formerly been successfully engaged. These Indians are on

friendly terms with the whites, and have frequently aided them against the hostile Apaches.

The Papagos Indians, with the exception of a few small villages in another part of the Territory, were found in the vicinity of the ancient Spanish mission church of San Xavier del Bac, nine miles from Tucson. This church is still in a good state of preservation, and presents the finest monument of ecclesiastical architecture of the many, in different states of preservation, or in ruins, which abound in this interesting country. It has been thus preserved by the Papagos, under the influence of a tradition that the Jesuit fathers would return to take possession of it. The presence of one of these fathers with Superintendent Poston was hailed with delight. A reservation of two square miles, having the church in the centre, was proposed by the superintendent for a home for the Indians, numbering some 5,000, and as it includes nearly all their arable land, the arrangement was satisfactory.

Superintendent Poston made no attempt to open communication with the Apaches, who are bitterly hostile to the whites, and constantly engaged in attacks upon trains of emigrants and the new mining settlements, or in forays upon the peaceable and friendly tribes. Until these savages are brought by the strong hand of military force to submission, it will be impracticable to open any relations with them, and time and money would be wasted in attempting it.

The Apache-Mojaves are a nomadic band, made up of renegades from both of those tribes, and occupying themselves much in the same manner as the Apaches; but hopes are entertained that most of them may be influenced to join and remain with the Mojaves, who are friendly and peaceable.

Mr. Poston met at La Paz, a growing commercial town on the Colorado, with representatives from the Yumas, Mojaves, Yampais, Hualapais, and Chemihuevis, tribes friendly to each other and to the whites, and numbering some ten thousand persons. After much discussion and consideration, the policy was finally adopted, and is submitted for the approval of the department, to set aside as a reservation for the use of these tribes a tract of land amounting to some 75,000 acres, lying along the Colorado river, from Half-way Bend to Corner Rock, as laid down by Lieutenant Ives's report. The superintendent's report sets forth in very clear terms the views entertained by him as to the policy thus proposed, as being, on the whole, the best both for the whites and the Indians. Assuming that the Indians have a right of some kind to the soil, Mr. Poston's arrangement proposes a compromise with these Indians, by which on their confining themselves to their reservation, and yielding all claims to lands beyond it, they shall, in lieu of an annuity in money or supplies, be furnished by government with an irrigating canal, at a cost estimated at something near $100,000 which, by insuring them their annual crops, will enable them to support themselves, independently of other aid by the government.

This whole matter is respectfully submitted for your consideration and direction. I have frequently heretofore set forth my views of what seems to me the best policy to be adopted for the future welfare of the Indian tribes. This policy involves the abandonment of the system of small reservations, scattered throughout the Territories and States west of the Mississippi, which is liable to be disturbed, and is constantly being disturbed, by the rapid settlement of the country and encroachment of the whites upon the Indian settlements, and the introduction of intoxicating drinks and illegal traffic among them, rendering it almost impossible for the government agents to accomplish anything for their permanent good, and resulting finally in their removal to some new reservation, where the same ruinous process may be expected to follow. Instead of this, it has seemed to me advisable to adopt, as soon as practicable, a system of large reservations, or tracts of land, few in number, but sufficiently extensive to furnish homes and means of support for all of the Indians, and located in different parts of the great western region, where Indians alone shall be allowed to re-

side, with the necessary teachers, employés, and licensed traders, and where the government regulations established for the welfare of the Indians may be enforced. Whether or not a tract of land suitable for this purpose, and proper and sufficient for an established home for the tribes west of the Rocky mountains and south of Oregon, can be found within the control of, or attainable by government, I am not prepared to say; but until this suggestion is fully considered and deemed impracticable of accomplishment, I should doubt the propriety of recommending the approval of Superintendent Poston's proposition to locate the tribes referred to upon the reservation along the Colorado, involving, as it does, so large an expenditure,

Superintendent Poston concludes his very interesting report by furnishing a list of assistants and agents, designated by him in the course of his visits to various tribes, with the rate of salary proposed by him. The list is submitted for your consideration, with the remark that in the instructions given to Mr. Poston, under date of July 16, 1863, and published on page 390 of the papers accompanying my last annual report, no authority was given for the appointment of agents with designated salaries. The following direction was given, viz: "Should it be necessary to employ persons for special service, you are at liberty to do so, reporting the same to this office for approval, and paying for such service out of moneys in your hands applicable thereto." Should claims be presented for specific services under the appointments of Mr. Poston, they will be considered as they arise. In regard to these matters, as well as in the adoption of a just and practicable policy for the Indians of Arizona, the department will, fortunately, hereafter be able to avail itself of the valuable aid of Mr. Poston, who is chosen a delegate to Congress from that Territory, His experience will be very valuable, and will doubtless be gladly placed at the disposal of the Department.

COLORADO SUPERINTENDENCY.

The latest information from this superintendency, published in the last annual report from this office, was contained in a communication from Governor Evans, *ex officio* superintendent, dated November 19, 1863, and at that time there were strong indications of the formation of a hostile league between the Indians of the plains and the Sioux of the north. During the winter the evidences of this meditated action accumulated rapidly, and were from time to time reported to you for consideration and for the information of the War Department. The letters and documents accompanying this, comprising the annual report of Governor Evans, which it very full in its details, together with the various letters from agents and others forwarded at frequent intervals during the present year, will be found to confirm the supposition that the hostile league comprised a portion of the Arapahoes and the Cheyennes, Comanches, Kiowas, and Apaches, with the Sioux from the north.

It is a matter of great regret that a sufficient number of troops could not have remained or been placed at the disposal of the military authorities of the region of country where these hostilities took place, to enable them to strike early and promptly, as by such action it is probable that the loss of life and property along the overland route during the summer might have been, to a great extent, prevented, and the first overt act of the Indians so thoroughly punished as to bring them to submission. As it has proved, the exigencies of the military situation not only prevented an increase in the number of troops stationed in Colorado and western Kansas, but actually caused that number to be reduced at the very time when the most urgent representations made to this office by the governor of Colorado and citizens best acquainted with the condition of things had been presented by you to the War Department. It seems, from a perusal of the documents herewith, to be beyond doubt that a prompt display of mili-

tary force early in the spring, or even down to mid-summer, would have resulted in preventing a number of the tribes of the plains from continuing their connexion with the hostile league, even if the emissaries from the northern tribes would not have been altogether disappointed in accomplishing their ends.

Efforts were diligently made, by means of messengers sent at various times during the winter and early spring, to reach the tribes who were understood to be meditating hostilities. These messengers were instructed to use every practicable means to influence the Indians to remain peaceable, but the absence of the bands from their usual wintering places prevented intercourse with them quite as effectually as did the absolute refusal of the leading men to come in the autumn previous to the council to which they were invited by Governor Evans. Immediately on the occurrence of the first of the series of outrages committed by the Indians on the 12th of June, 1864, the governor issued and sent out by trusty messengers a proclamation, calling upon the friendly Indians to separate themselves and their families from those who had determined upon war, and designating certain points at which they were to rendezvous, and where they would be protected and aided in subsisting themselves. The fact that only about one hundred and seventy-five Indians of "Friday's" band of Arapahoes, and another small band under the chief "Left-Hand," responded to this call, shows how wide-spread was the combination; and the band last named did not remain long at Fort Lyon, but again joined the hostile bands. On the 8th of August, by an understanding among the war parties, a simultaneous attack was made by detached bands, scattered at frequent intervals along the overland mail and emigrant route for a distance of some two hundred miles, and many lives were lost and much property destroyed or carried away; the damage and plunder amounting, according to the estimate of capable judges, to millions of dollars. By the energetic action of Governor Evans, acting now in his executive capacity as chief magistrate of the Territory, and with the consent of the War Department, a regiment of one hundred days' volunteers was raised, armed and equipped, and sent to the most exposed points. Timely information furnished to the authorities enabled the people gathered at the different posts for protection, and thus placed them upon their guard, to repel a series of attacks made about the middle of the month of August; and on the 4th of September Agent Colley forwarded to the superintendent a letter signed by several of the Cheyenne chiefs, proposing terms of peace. On the 28th an interview took place between Governor Evans and these chiefs, at which, it appears, from the annual report of that officer, they seemed earnest for peace; but the governor deemed it his duty, under the existing circumstances, to decline acceding to their terms, or indeed to make any terms with them, and the interview ended with leaving the chiefs referred to, or any others who might be disposed towards peace, to communicate with the military authorities. This course seems, from the paper accompanying Governor Evans's report, to have commended itself to Major General Curtis as the proper one to be pursued, that officer deeming it necessary, in order to a permanent peace and the future good behavior of the Indians, that they should receive further punishment; and Governor Evans advocates the policy of a winter expedition against the offending tribes.

I have thus briefly sketched the leading events noticed in detail in the accompanying papers. From a careful examination of them I am unable to find any immediate cause for the uprising of the Indian tribes of the plains, except the active efforts upon their savage natures by the emissaries from the hostile northern tribes. The comparative impunity with which these last had escaped after the terrible outrages committed by them in Minnesota and Nebraska, and the necessary withdrawal of a portion of the troops by which the former had been restrained, seem to have furnished the northern emissaries an ample opportunity for successfully inflaming the minds of the others, already

excited nearly to desperation by seeing their hunting-grounds rapidly lessening in dimensions, and the game, the almost sole reliance of these nomadic tribes for food and clothing, disappearing as rapidly before the steady onward tread of the white man. But unless the military authorities are prepared to deal with these hostile tribes immediately, and to press upon them with such force as shall compel them to submission, I fear that an error may have been committed in neglecting to make the best possible use of the disposition shown by a portion of the chiefs towards peace. As a mere question of financial economy, no principle in our Indian relations is better established than that it is a great deal cheaper to feed them, supplying their limited needs, than to fight them; while as a question of humanity, that policy which makes allowances for the natural discontent of the savage heart to come under tutelage, abandon his free habits, and yield tamely to the rule of those who are pressing him yearly into narrower bounds, limiting his means of life, and inducing privation and trouble, surely must commend itself to the fair consideration of a Christian people. How the problem of the future condition of these nomadic tribes of the plains is to be solved, is a question which must await events for solution. At present the affair is in the hands of the military authorities, where we must leave it, standing ready to aid in any proper manner to bring about the desired results of a quiet transit for the growing commerce of that region, the peaceful pursuit of their avocations by settlers rightfully present, and the permanent good of the Indians themselves.

The irrigating ditch upon the Arapahoe and Cheyenne reservation, from the construction of which great benefit was expected, had been carried sufficiently near to completion to admit of letting in the water on the 17th of April, and about one hundred and fifty acres of land was planted, the supply of water being sufficient for nearly the whole surface. Apprehensions were felt, however, at our latest dates from that point, lest the hostile Indians should drive away the few who were disposed to cultivate the soil and live by the labor of their hands, and thus the benefits expected from the large outlay of money upon this improvement be postponed for the present.

The Tabequache band of Utahs, with whom a treaty was made last year, have remained quiet and friendly. The treaty having been amended by the Senate, was returned to Governor Evans to be laid before the chiefs for their assent. The Indians hesitated before agreeing to the amendments, fearing lest the region to which they were bound to confine themselves should not contain sufficient pasturage. This difficulty was obviated by a promise made to them that they might have common pasturage with the Indians of Grand river and Uintah valley, this arrangement being assented to by the chief of the bands last mentioned; whereupon the unanimous consent of the chiefs and leading men of the band was obtained to the amendments. These Indians exhibit an indisposition to become farmers and settle down to the cultivation of the soil, but are quite friendly, and many of them are men of a good deal of intelligence. Agent Head, in his report, refers to an allied band of Utahs, the Uncompahgres, who are disposed to habits of industry, and asks that aid be given them in the form of serviceable farming utensils.

The Caddoes, loyal refugees from Texas, who have been for some time under charge of Agent Colley, have continued steadfast to the government, and patiently laboring for their own subsistence. They will need some assistance to help them through this winter, and deserve special consideration.

The Grand River and Uintah bands of Utahs, under the charge of Agent Whitely, have also continued on friendly terms with the whites. The country claimed by them is represented as containing many extensive and fertile valleys, and the agent thinks that in some of them further exploration may discover an appropriate home for several of these friendly bands when they shall be willing to abandon the hunt as their means of support.

The physician employed as a special agent to vaccinate the Indians of the plains had nearly accomplished his mission before the hostilities broke out, and reported in April that he had vaccinated "all of the six tribes of Arkansas Indians," except the Camanches, who were then not accessible.

DAKOTA SUPERINTENDENCY.

I regret that I am unable to report any decided improvement in the condition of affairs in this superintendency. The state of hostilities prevailing a year ago between a portion of the Sioux tribes and the government has continued during the present year, and great excitement has necessarily existed even among those tribes who are friendly to the whites. The removal within the limits of the Dakota superintendency of the Sioux and Winnebogoes from Minnesota has further complicated affairs, while the almost entire failure of the crops planted, not only by the last-named Indians, but by those long established in the Territory, has been very discouraging to them, and entailed much suffering upon several tribes, and rendered it necessary to provide supplies to keep them from starvation.

The tribes under the charge of this superintendency are the Poncas and Yancton Sioux, with whom treaty stipulations exist; the Sioux, Gros Ventres, Mandans, Arickarees, Assinaboines, and Crows, with whom, as yet, we have no other than treaties of friendship. Besides, there are the Sioux of Minnesota and Winnebagoes, removed from Minnesota to Dakota two years since, but who are still under the charge of the Northern superintendency.

The Ponca Indians were at the date of my last annual report in a critical condition, owing to the failure of the crop of 1863; and it was necessary, in November of that year, to make an expenditure of one thousand dollars from the appropriation for "provisions for Indians" to supply their absolute necessities. The distribution of their annuity money, in January, 1864, which, after the payment of sundry debts, left them about five dollars each, and further aid, to the amount of fourteen hundred dollars, carried the tribe through until spring, though not without great suffering, and it was only by the exercise of his utmost influence over them, often at great personal risk, that Agent Hoffman succeeded in preventing them from killing all of their stock for food.

Undoubtedly the disturbed state of this tribe, arising from their physical wants, was much increased by the delay in obtaining justice for the outrage committed upon some of their people in December, by a party of United States' soldiers, the facts in regard to which have already been laid before you, and such action taken as lay in the power of this department. The details of this wanton outrage upon a peaceable and friendly tribe are given in Agent Hoffman's report, herewith submitted. Every possible effort has been made by this office, through your department, to have the perpetrators brought to trial and punishment, and as late as June 15 assurances were obtained from the War Department that General Curtis, commanding the department, had been instructed "to bring the offending parties to trial before the proper military court without delay;" since which time I have no information as to the progress of the investigation. I can only express the hope that the patience with which this friendly tribe has awaited reparation for a gross wrong will not be much longer tried, and that they may have evidence that their rights to life, at least, are respected by the government which assumes to protect them, while they faithfully perform their treaty stipulations.

When the spring of 1864 commenced, the Poncas, in a destitute condition travelled one hundred and fifty miles to the Pawnee reservation to obtain corn for seed, and on their return labored faithfully in planting it; but the drought of the last summer caused this crop also to fail entirely. The report of the farmer at the agency, transmitted by Agent Hoffman, shows how faith-

fully these Indians labored, and the unfortunate result. Assistance to such extent as is practicable must necessarily be given to this tribe to help them through another winter. Under date of September 15, 1864, this office was advised by Agent Furnas of the arrival upon the Omaha reserve of the whole Ponca nation. They gave as a reason, that they had no agent, and were destitute of everything except the supply of meat obtained in their hunt. The Omahas having a surplus of corn to spare, were able to exchange with the Poncas to their mutual benefit.

A letter has been addressed to Governor Edmunds, requiring him to take steps to provide for the Poncas where they now are, and requesting information as to their departure from their own agency. It is probable that a satisfactory arrangement may be made for their permanent occupation of a portion of the Omaha reservation.

The Yancton Sioux, under the charge of Agent Burleigh, have continued to be friendly, the apprehensions lest they might become involved in the hostilities waged by other bands of Sioux against the whites proving groundless. Indeed, as I learn from the report of Governor Edwards, and still later from Agent Burleigh's report, a party of fifty Yanctons, under the direction of the agent, have performed signal service as scouts on the side of the government. Governor Edmunds recommends that this force be doubled; and also that a force of fifty of the best Poncas be employed in the same manner, believing that great good will result from the measure. The suggestion seems worthy of favorable consideration. This tribe has, like the Poncas, continued its fidelity to the government, notwithstanding the many difficulties and discouragements by which it has been surrounded, and which are fully detailed in the annual report of Agent Burleigh. In the month of July, the annuity goods destined for them were consumed by fire on board of the steamer Welcome, at St. Louis. At the earliest practicable date, other goods were purchased in lieu of those which had been destroyed, and were forwarded towards a point in Iowa, whence, in accordance with a suggestion from Agent Burleigh, they were to have been forwarded by teams to the Yancton agency; but, most unfortunately, another turn of ill fortune overtook the goods in the sinking of the steamer conveying them up the Mississippi. At my last advices, however, the goods had been replaced by the Transportation Company, and it is hoped that they may reach their destination in time to supply the pressing wants of the Indians this year.

Agent Burleigh's report furnishes an interesting statement of the steadfast friendship of the Yancton Sioux, attested not only by their refusal to take any part in the hostilities of their kindred tribes, but by real and valuable services performed in behalf of the whites; and, in view of these things, and of the efforts of the tribe to help themselves amidst their many misfortunes and discouragements, I am induced to commend to your favorable attention his suggestion that a special appropriation be made by Congress for their assistance. In January last, and again in March, Agent Burleigh reported the arrival upon the Yancton reservation of some thirty lodges of Sioux, being a portion of those removed from Minnesota. They were in a state of destitution, arising from the failure of their crops. At a later date, it appears that over eight hundred of the Winnebagoes, removed at the same time from Minnesota, are stated to have been scattered along the Missouri river at and near several posts and agencies in search of food. As the Minnesota Sioux, and Winnebagoes, though located within the limits of Dakota, are still under the charge of the Northern superintendency, I reserve such remarks as I have considered it my duty to make for their proper place under the latter head.

Since my last annual report, the organization of the Territory of Montana, with boundaries extending eastward to the meridian of Fort Union, has included

the Blackfeet Indians within that superintendency, and such information as we have in regard to that tribe will be found under its proper head.

Governor Edmunds transmits the report of Agent Wilkinson, who has charge of the tribes in the neighborhood of Fort Berthold, in the northern part of Dakota Territory, and including the Assinaboines and Crows, who receive their annuity goods at Fort Union. He reports his distribution of the goods early in the last summer, and the tribes last named well disposed towards the whites, except a portion of the Assinaboines. These, however, left for their hunting-grounds, north of the British boundary line, immediately on receiving their goods. About the 1st of July, 1864, the goods destined for the Gros Ventres, Mandans, and Arickarees were distributed to them at Fort Berthold, entirely to their satisfaction, except that complaint was made of the want of guns, these Indians being in constant fear of attacks from the Sioux, and asking for guns for self-defence. Agent Wilkinson reports that all the tribes within his agency are anxious that new treaties should be made with them, and states that the Assinaboines, Arickarees, and Gros Ventres own large tracts of land south of the Missouri river, which they would cede to the United States and go upon reservations. As an evidence of the feeling of the Arickarees, the agent forwards a copy of a speech made in council by their head chief, White Shield, to which I refer in this connexion. It is suggested by the agent that an agency be established near the mouth of the Yellow Stone river; and he states that the Assinaboines and Crows would probably come to that point and raise crops. In view of the increasing tide of emigration passing through the region inhabited by these Indians, the suggestion of a treaty with them, by which a cession of lands and a concentration of the tribes upon a reservation may be obtained, is worthy of consideration. They are friendly now, and express a desire to cultivate the soil and have schools established among them; and advantage may be taken of their present good disposition to preserve the existing amicable relations, and avoid great expense and difficulty in the future. I am further confirmed in the view here taken of the policy proposed in regard to these friendly tribes by reports from Rev. Father De Smet, whose communications give much valuable information concerning them. The remarkable fact, stated by this excellent authority, that these Indians have not only expressed a desire to concentrate themselves upon a reservation, but to have the Winnebagoes and Pawnees removed to their vicinity, indicates, to some extent at least, that it is practicable to concentrate a large proportion of the Indians of this region upon a single reservation; the various elements of an extensive tract, sufficiently fertile, conveniently located, mostly attainable by government from friendly tribes willing to concentrate within smaller limits and cultivate the soil, being all present. It would be a pleasing result of the long-continued friendly conduct of these tribes—continued notwithstanding the alternate persuasions and threats and outrages of their hostile neighbors among the Sioux—if they should form the nucleus of the northern reservation, and receive the first benefits to be derived from the establishment of sufficient military posts for their protection, schools for the education of their children, and the other humanizing and civilizing influences which can only be brought to bear with success upon the Indians when concentrated upon reservations, and their intercourse with the whites kept under strict control. I most earnestly commend this whole subject to your careful consideration.

Early in the present year I was advised, by reference from you of a letter from the War Department, that Major General Pope had protested against the delivery of annuity goods to the Sioux of the Upper Missouri, and also declared that he would permit "no sort of interference or interposition from Indian agents" until the campaign should be over. I had already instructed all of the agents not to distribute any guns or ammunition; in fact none had been purchased, and this was made matter of complaint, as above noticed, by some of the

friendly tribes, who feared attacks from the Sioux; and I had further instructed Agent Latta to confer with General Sully, who was in immediate command in the Upper Missouri country, as to the proper course to pursue. With his consent, the goods were delivered to the friendly tribes mentioned above; the balance of the goods being stored at Fort Sully. The agents have all been instructed to co-operate with the military commanders in their operations; but, as I have heretofore stated in my communication of April 5, upon this subject, I am decidedly of the opinion that, where the tribes are friendly, and observe faithfully their treaty stipulations, there seems to exist no necessity for any interference with the ordinary duties of the Indian agents; in fact, such interference must result disastrously to the government, since the Indians will necessarily become dissatisfied on account of the failure of the government to fulfil its promises, while they are faithfully performing those which they have made.

In regard to the result of the military operations which have been carried on under the command of General Sully, in the region covered by the Dakota superintendency, during the present year, I have not that information which enables me to form a very definite opinion, and I hesitate to express any opinion based upon the limited knowledge at hand. Governor Edmunds, *ex officio* superintendent of Indian affairs for the Territory, as will be seen by his report, is very decided in his opinion that the campaign has been a failure. If the military posts established at various points along the Missouri river, an object which I have repeatedly urged as very desirable, are to continue to be held by sufficient garrisons, the expedition of General Sully, as resulting in the erection and garrisoning of these forts, is, in my judgment, a success to that extent; and if the line of posts nearer to the white settlements, referred to by Agent Burleigh as contemplated by General Sully, shall be erected, another good result will be obtained. As to how far the punishment of the Sioux, by destruction of their lives and property by the United States troops, has had the effect to bring them to a disposition to submit and live peaceably hereafter, I am not informed. I appreciate fully, I think, the difficulties to be encountered in carrying on military operations in such a region of country, far from the base of supplies, against an enemy which, like the Sioux tribe, is difficult to find, and, moving at will, and without the impediment of baggage and supply trains, is here one day, and there the next; and I have not expected too much from the expedition. I earnestly trust, however, that the hostile tribes, finding the country through which they roam studded with military posts, and becoming satisfied that they cannot longer successfully resist the forces brought against them, will, at an early day, discontinue their hostilities, and become the subjects of amicable relations. In saying this, I bear constantly in mind the policy which seems to be best adapted for controlling the Indian tribes, while conducing to their comfort and thus to their improvement in civilization—that of concentrating them upon large reservations, where bad influences may with greater facility be kept from them, and good influences be brought to bear upon them. The dictates of humanity to the Indians, the preservation of the white settlers from savage raids upon life and property, safety to the increasing travel and traffic through the Upper Missouri region, and a very great saving of expense to government in military expeditions, are all, in my judgment, involved in the application of this policy to the tribes of the great northwestern region at the earliest possible day; and with your concurrence, this policy will be steadily persisted in by this office, with confident hopes of a good result.

IDAHO AND MONTANA.

No reports from the governors, who are *ex officio* superintendents of Indian affairs for these new Territories, have yet been received.

In regard to the Blackfeet Indians, and the Assinaboines, Crows, Gros Ventres,

and other tribes formerly within the limits of Dakota, but now, by the organization of the Territory of Montana, transferred to that superintendency, some valuable information is obtained from the annual reports and other communications from Agent Upson, whose headquarters are at Fort Benton; the tribes under his charge, however, ranging over a very wide district. Early in January, 1864, Mr. Upson reported that a state of hostilities existed between the Piegans and Gros Ventres, who range southeast of Fort Benton, the latter being aided by the Crows, and the Piegans having the aid of other bands of Blackfeet Indians. These hostilities had not amounted to anything more serious than the frequent stealing of horses on either side, and collisions between small parties, in which life was occasionally taken. All parties were friendly to the whites. The agent immediately set operations on foot to bring these tribes to a council and to peace. The Piegans, who were near the post, were glad to have hostilities cease, and the chiefs and headmen of the Gros Ventres, some fifty in number, readily accepted an invitation from Agent Upson to come to the fort, which they did on the 13th of February, and peaceful relations were established between the parties.

Mr. Upson was able to give me, under date of February 19, some important information, derived from reliable persons sent out by him, as to the conduct and intentions of the hostile Sioux of the Upper Missouri, which was transmitted to you with report under date of April 5, 1864.

Down to March 28 quiet reigned among the Indians of this agency, disturbed only by the Pend d'Oreilles, who exhibited hostility not only towards the whites, but towards the friendly Indians, particularly the Piegans. At that date, and down to April 5, the agent was anxiously looking for a military force to garrison the fort, being confident that a small force would suffice to prevent any outbreak.

Early in last summer Mr. H. W. Reed, the special agent of this office to visit the tribes on the Upper Missouri, arrived, after many delays arising from a low stage of water, within one hundred and fifty miles of Fort Benton, where the steamer grounded, and it was necessary to return to Fort Union. Some fifty lodges of Crows were met near Milk river, waiting in the hope of receiving their goods there, as they had been driven from their own country by the Sioux, with whom they have long been at war. Mr. Reed met with Agent Upson at Fort Union, and concerted arrangements with him for getting the goods to the tribes for whom they were intended as soon and as far as was practicable. Complaint is made of the unnecessary failure of the contractors to deliver the annuity goods at Fort Benton. The goods were left at Cow island, one hundred and fifty miles below that post, and it was not until August 18 that those intended for the Gro. Ventres were distributed to them, the tribe going to Cow island for the purposes This tribe numbers some sixteen hundred souls, are entirely friendly, and their chief, "Sitting Squaw," tendered the services of his warriors to the government to fight the hostile Sioux. At the date of his report, September 1, Agent Upson had secured a train of twenty wagons, which were about to start for Cow island to bring up the annuity goods which had been left below, and expected to have them ready for distribution by September 20.

The affairs of the Sun River farm, belonging to the agency, were found by Mr. Upson to be in a very bad condition, but steps were taken by him to prepare and plant as much ground as possible, and the prospect was fair for a bountiful crop; but successive inundations of the river destroyed these hopes, and the result of the farming operations would be comparatively small.

This agency, in the far northwest, has recently become one of much importance, as lying upon the route of travel to the new gold fields of Montana, over which thousands of people have moved during the last year. Every possible effort will be made to continue the present friendly relations with the Indian tribes of the country.

A report from Agent Upson, dated September 28, announces his distribution

of the annuity goods to the Piegans, Bloods, and Blackfeet, about ten days previous to that date, to the general satisfaction of the Indians. The Piegans number two thousand eight hundred, and are quite friendly and peaceable. The Bloods, numbering some one thousand nine hundred, and ranging over a district north of the British line down to the Missouri river, are also reasonably quiet. But the agent represents the Blackfeet proper, whose number is estimated at two thousand one hundred and fifty, as extremely insolent and exacting It appears that this tribe, so far as it has an abiding place at all, lives north of the boundary line, and is properly subject to Great Britain, only appearing about Fort Benton to receive annuities. Your attention is invited to Agent Upson's remarks upon this subject.

SOUTHERN SUPERINTENDENCY.

At the date of my last annual report strong hopes were entertained that very soon the condition of the loyal and long-suffering Indians of this superintendency would be materially improved; that those who had maintained a precarious existence in their own country would be enabled to return to the peaceful pursuits in which they were engaged prior to the commencement of the war, and that those who had been driven forth as exiles and dependents upon the government for the necessities of life would be returned to their country in time to enable them to raise crops during the summer following. Unfortunately these hopes have not been realized, and the condition of the loyal Indians of the superintendency is such as to appeal very strongly to our sympathy, and demand at our hands the most determined efforts for their relief. Their welfare, however, is so entirely dependent upon the military operations of the government that no hopes of any material improvement can be reasonably entertained until such time as their country shall be so completely garrisoned as to afford a reasonable degree of security against the depredations of rebel raiders and the bushwhackers and thieves by whom it is now infested.

The country is aware that during the winter of 1861–62, and following spring and summer, many thousands of these Indians were driven from their homes because of their determined loyalty to the government, and the stubborn, though ineffectual, resistance they made to their disloyal brethren, who, with the assistance of white troops from Texas and elsewhere, sought to hold their country in the interest of the rebellion.

These refugees were collected in Kansas, where they were mainly subsisted from the funds of the various tribes of the southern superintendency, which in whole or in part have joined with the rebellion, which funds were, by an act of Congress, set apart for that purpose. They consisted mainly of women, children, and old men—their warriors and able-bodied men having, with a degree of unanimity which is probably unparalleled by any other loyal community within our entire limits, taken arms in the service of the United States.

The claims of these people upon us for support; the intense and longing desire they manifested to be returned and protected in their homes; the continually increasing and very considerable expense by which they were being subsisted while in exile; the demoralizing effect which their anomalous condition could not fail to produce; and their well known ability, to maintain themselves, if in the undisturbed possession of their own country, all combined to render it exceedingly desirable that they should be returned to their homes at the earliest practicable moment, and upon all proper occasions its importance was urged by this office, and your attention, and, through you, that of Congress and the War Department, invited to the subject. It was, however, realized that, upon the score of economy and the facility of affording them protection, it was better that they should remain in the condition of refugees rather than be returned prior to such time as our military successes would render it practicable to afford

them protection when they should be separated into families and in the occupation of their former homes in the various parts of their country; since merely to congregate them in the vicinity of a military post would not materially better their condition, and would add very considerably to the expense incident to their subsistence.

After careful consideration, and obtaining information from every available source as to the probable results of military operations, and upon consultation with yourself and several members of the Senate and House Committees on Indian Affairs, it was thought advisable that the refugees should be returned in the early spring, and accordingly an estimate of the probable expense of removing them and providing for their support was made by superintendent Coffin, and through you submitted to Congress in February last, and the necessary appropriation solicited.

It was not, however, until the 3d day of May that the appropriation was made; so that, although preparations for the removal were commenced early in April, in anticipation of the favorable action of Congress, it was found impossible to complete the necessary arrangements prior to the 16th of May, at which time a portion of the Indian refugees, numbering something over five thousand, started *en route* for their country. They were delayed some days awaiting a military escort, and did not arrive at Fort Gibson until the 15th of June. It was now too late to raise a crop, even if it had been found practicable for them to leave the protection of the fort and repair to their respective homes; which, however, was not the case, as their country was then, and has since continued to be, infested by guerillas and bushwhackers, and from time to time overrun by rebel raiders, so that it has at all times been exceedingly unsafe to reside beyond the immediate vicinity of the forts held by our troops.

The expense of subsisting these Indians, now that they are located so much further from the source of their supplies, is of course greatly enhanced. It is estimated that, in addition to the number returned from Kansas, there are some ten thousand women, children, and decrepit old men who have remained in the country. These last have to some extent succeeded in raising crops of grain and vegetables; and could they be allowed to retain for their own use the products of their labor, they would probably require but little assistance in the way of food. All, however, are dependent upon government for clothing, so that there are some fifteen or sixteen thousand, a large portion of whom must be wholly, and the remainder in part, subsisted and clothed at an expense which will very considerably exceed the amount of funds diverted to their use as before mentioned.

The estimate, heretofore mentioned, of the amount of funds necessary for the removal and subsistence of these Indians, in addition to the regular appropriations, was four hundred and ninety-one thousand seven hundred and twenty dollars. The amount actually appropriated was but two hundred and twenty-three thousand dollars. It is doubtful if, under the most favorable circumstances, the amount appropriated would have been sufficient; but, as has already been stated, the Indians failed to reach their homes in time to raise a crop, as it was expected they would do when the estimated expense of their removal and subsistence was submitted to Congress, and on which expectation the amount of the estimate was based. Congress having failed to appropriate the amount requested, and the Indians having failed to raise a crop as was anticipated, it is readily perceived that the means provided for their subsistence was largely inadequate, and that an absolute necessity arose for a resort to some temporary expedient for supplying the deficiency. Under these circumstances, with your approbation and the sanction of the President, I have authorized the purchase of supplies to the extent of two hundred thousand dollars in excess of the amount provided for by Congress, that sum being the least amount with which it was possible to furnish to the refugees the prime necessaries of life until such

time as Congress shall meet, and by appropriate legislation be enabled to provide for the deficiency.

With the exception of the changes incidental to the return of the refugees from Kansas, but very little change has been made during the past year in the condition of Indian affairs or of the various tribes within the southern superintendency; and inasmuch as a particular statement was made in the last annual report from this office as to each of these tribes, I deem it unnecessary on the present occasion to present anything more than a general view of its present condition.

There are now within the Indian country from fifteen to seventeen thousand destitute Indians. There are still remaining in Kansas near five hundred Seminoles, who, by reason of the small-pox prevailing among them at the time of the removal of the other refugees, could not accompany them. Also, some six hundred Quapaws, Senecas, and Shawnees, who could not at that time be removed, for the reason that their country is remote from any military post, and is so infested by rebel guerillas as to be unsafe for any one suspected of being loyal to the United States. All these are, in a greater or less degree, dependent upon government for the necessaries of life, and this dependence will continue, even with the most successful of military operations, until such time as the crops they may raise the coming year are matured. As is elsewhere mentioned, nearly all the able-bodied men connected with these people are in the military service of the United States, and I learn from various sources that they have proven themselves to be good and efficient soldiers. There is, however, a very general feeling of discontent prevailing among them because of the destitution of their families, and the failure hitherto to send into their country a military force sufficient to preserve order and protect it against the wholesale plundering, robbing, and thieving to which it has been subjected at the hands of the rebels, and of whites professing to be their friends and loyal to the government. There is, perhaps, no portion of country, of equal extent, within our territorial limits, better adapted to the business of stock-raising than is the country owned by these people. Prior to the rebellion they had engaged in this business very extensively, and many of them owned herds of cattle numbered by thousands. When the people were driven forth, their stock was necessarily left behind and to roam at large without ostensible owners. The rebels have availed themselves of this condition of things to furnish themselves with immense supplies of beef for their armies; and, to the disgrace of our own people, it must be said that many of them have also engaged in the nefarious business of stealing cattle from these defenceless, unfortunate, and truly loyal people. It seems hardly credible that men professing to be loyal could be found so sordid and base as to make a systematic business of stealing the only means of subsistence left for women and children, whose brave and loyal husbands, fathers, and brothers are in the armies of the Union battling for our common cause. Under the existing circumstances, this office is, of course, powerless to suppress this infamous traffic; but it is gratifying to know that it has engaged the attention of the military authorities, and it is to be hoped that the guilty parties may be detected and receive the well-merited punishment their double crime against the laws of their country and the rights of a helpless and loyal people so richly merits.

The respective treaties negotiated with the Creeks and Osages, and ratified by the Senate, with amendments, at its last session, were forwarded to those tribes for their assent to the amendments, and have not as yet been returned, but there is reason to believe that the assent of the Indians will be obtained, and that the treaties will go into effect at an early day.

With your approval, a special commissioner was detailed from this office in May last for the purpose of negotiating a treaty with delegations from the Cherokees and Delawares, at that time in this city, the principal object of said

treaty being to provide a home in the Indian country for the Delawares, now located in Kansas. The commissioner was also authorized to treat upon such other subjects as might be considered of interest and importance to the respective tribes. Several interviews were had with the Cherokee delegation, but I regret to state that, after a full and thorough consideration of such subjects as it was desired by the Cherokees should be embraced in the provisions of the proposed treaty, it was found that, while no very serious objections existed as to any other proposition, they were inflexible upon the point of maintaining their jurisdiction as a tribe or nation over the entire territory heretofore owned by them. In other words, it was found that, while they were willing to receive the Delawares among them and accord to them rights in common with their own people, yet it was insisted that the Delawares should virtually incorporate themselves with and become a part of the Cherokee Nation. To this, as I think, the Delawares very properly refused their assent, and thus the negotiations were terminated without any beneficial result to either party. Recent information, of an unofficial character, has led me to believe that further negotiations would be attended with better success. The fortunes of war have greatly impoverished this tribe, and as a means of in some degree relieving them from their pressing wants, and enabling them to resume their former avocations, I respectfully suggest the propriety of purchasing from them the tract of country they now own within the State of Kansas, known as neutral lands.

This tract of land is represented as being very desirable for the purpose of settlement, and it is understood that the loyal Cherokees are willing to dispose of it on very favorable terms.

In this connexion the following suggestions are respectfully submitted: The territory south of Kansas and west of Arkansas, heretofore known as the "Indian Country," and occupied by the Osages, the Quapaws, Senecas, and Shawnees, the Cherokees, Creeks, Seminoles, Choctaws, Chicasaws, and the Wichitas and other affiliated bands, embraces some seventy-five thousand square miles. The total number of the tribes inhabiting this country prior to the rebellion, according to the best data now available, was in the neighborhood of seventy thousand, or less than one to each square mile. All accounts agree in representing the country as well adapted to the support of a dense population, and this is confirmed by the prosperity of the various tribes within its limits, prior to the rebellion. It is, then, perfectly evident that the area of the country is vastly in excess of the necessities of the Indians by whom, in virtue of various treaties, it was owned at the commencement of the war. Under the operations of the war the relations of these people to the general government have been very materially changed. Very many of them have united their fortunes with the rebels, while many more, and it is believed a majority, have remained steadfast in their loyalty and in the observance of their treaty stipulations. In the readjustment of our relations with these people, which must necessarily occur at the close of the war, the former class should meet with the condemnation their conduct so justly deserves, and the latter should be treated with the most generous consideration; but it can be no wrong to either class, that they should be required to receive within the limits of their country other tribes with whom they are on friendly terms. As before remarked, the area of their country is vastly in excess of their wants. The tribes now located in Kansas and Nebraska, and it may be some others, are on friendly terms with those of the "Indian country," excepting so far only as their friendship may have been interrupted by the war. Like them, they are all more or less advanced in civilization, and it is believed that they would easily affiliate, and in time become one people, if the whole were occupants of one country. The "Indian country" is not encroached upon to any appreciable extent by white settlements, and is well adapted by climate, soil, and location to support a large population of these people. The convenience and comfort of the citizens

of Kansas and Nebraska, and, above all, the welfare, and I may almost say the existence, of the Indians within their limits demands that the latter should be removed from their present reserves. Under these circumstances, I feel that I cannot too strongly urge the importance of preserving the "Indian country" for the use of Indians alone, and in all treaties or other arrangements which may hereafter be made with its former owners, insisting upon, and if need be enforcing, such terms as will secure ample homes within that country for all such tribes as from time to time it may be found practicable and expedient to remove thereto.

CENTRAL SUPERINTENDENCY.

The reports from the various agencies within this superintendency, embracing sixteen tribal organizations, are for the most part satisfactory, as to the general condition of the Indians, so far as relates to their peaceable conduct, loyalty to the government, and progress in education and civilization. In some cases decided advancement is recorded, and there is good evidence that in others a like report would be made, but for the unfortunate failure of the crops throughout the greater portion of the superintendency, drought and the ravages of insects, and the hostilities of northern tribes during the past summer, which, breaking out in the region in which some of these tribes were accustomed to hunt, prevented them from obtaining their usual supplies of skins and of food for winter. Besides this, the outrages committed by the hostile parties of Indians so exasperated the whites, as well the citizens as the soldiers stationed at the various military posts, as to render them indisposed to distinguish between hostile and friendly Indians. The tribes of this superintendency, thus placed between two fires, subject to be attacked and driven from their hunting-grounds by the hostile Indians, and suspected if not attacked by the whites, have maintained their loyalty in a very remarkable manner, and deserve the favorable consideration of the department. It is claimed for them, by their agents, that all of the tribes of this superintendency, amidst all their discouragements and privations, have refused to entertain any of the propositions made to them by the hostile Indians, and have remained true to their treaties of friendship, some of the tribes sending a large proportion of their able-bodied men into the service of the United States, where they have proved themselves to be faithful and efficient soldiers.

From sundry communications of Agent Loree, of the Upper Platte agency, it would appear that there are many white persons claiming to be old settlers of that region, but who have long ago adopted the Indian mode of life, and have not now, and are not believed to have ever had, fixed homes in the country, who are thoroughly disloyal, and exercise their influence over the Indians to incite them to acts of hostility. These persons are stated by the agent to be, for the most part, Canadians. Whether or not public policy demands their expulsion from the country is a question which I deem to be worthy of consideration. At all events, these parties should be put under careful surveillance, and should not be allowed to continue, with impunity, the dangerous and treasonable work of which they are alleged to be guilty.

The tribes of the Upper Platte agency are represented as being in a destitute condition, and some of them will need aid from government to keep them from starvation. In their privations it is apprehended that they may be led to acts of theft and plunder, or to join some of the hostile bands in that portion of the country.

The Ottoes and Missourias, under the charge of Agent Dailey, numbering about five hundred souls, are represented as being orderly and temperate. Their crops were good, furnishing them an abundant supply of grain and vegetables, but they were unable, on account of the hostile parties in their usual hunting-

grounds, to procure their supplies of meat and furs, and will suffer for clothing. They are faithful to the government, and tendered to it the services of all their warriors. It is to be regretted that, since the abandonment of their school in 1860, none has taken its place, and the agent recommends that a sufficient amount of their annuities be applied to the support of a school.

Many of the Kickapoos, as we are informed by Agent Bennett, are dissatisfied with the treaty negotiated with them in 1863, and are alarmed at the probable results of the settlement of white persons near them, upon the sale of a portion of their lands, provided for in that treaty. About one-half of the tribe went into the southwestern part of Kansas about August 1, where they engaged in the hunt, declaring their intention to find, if possible, some favorable location to which they might, with the consent of the government, be removed. Perhaps this disposition on their part may be turned to good account by their settlement as a tribe in the Indian territory south and west of Arkansas, when the condition of the country will justify such a removal and location, where they may be placed in a comfortable condition with the funds realized from the sale of their present reservation. Their farming operations during the present year were reasonably successful.

The Sacs and Foxes of the Mississippi show very little signs of improvement. They rejected with great unanimity the proposed amendments to the treaty made with them. This tribe displays very little disposition to adopt the pursuits of agriculture. They planted, however, the usual amount of land, and those who planted early realized about one-third of a crop. The census of the tribe makes the number eight hundred and ninety-one souls, which is a decrease of eighty-four in a year, but the agent thinks that a part of this decrease may be properly accounted for by the absence of some of the people on a visit to other tribes. The property of the tribe, including the value of the crops, is estimated at about $58,000. Their mission school is in a good condition, with an average attendance of twenty-five children, who are making excellent progress.

The Chippewas and Munsees, or Christian Indians, who are under charge of this agency, are far advanced in civilization—have comfortable homes, and are well clothed, peaceable, and truly loyal.

The condition of the Pottawatomies, in everything except as to their farming operations, is reported by Agent Ross as in the highest degree satisfactory. Of their number, two thousand two hundred and seventy-eight souls by the census of this year, two hundred males, to whom allotments of land were made, have, under the provisions of their treaty, taken the preliminary steps to become citizens of the United States, and are regarded as fully capable of managing their own affairs, while many more are about to apply for naturalization papers, preparatory to abandoning their tribal state.

The provision of the late treaty with this tribe in relation to conferring upon some of its members the rights of citizenship is regarded as eminently proper as to a limited number, but it is to be feared that, unless the strictest scrutiny of the qualifications of applicants is made by the courts, very many who are unqualified for so radical a change in their political relations may, through the influence of designing whites, be induced to take upon themselves the duties of citizenship, and in the end be found wholly incompetent to discharge the same. Instructions upon this point have been issued to the agent in charge, and every precaution will be taken by this office to prevent an abuse of the very important and valuable rights granted by this treaty.

Of those who prefer to continue their tribal condition, a party went south to search for a new country, and the agent thinks that their separation from the remainder of the tribe and settlement upon a new reservation is desirable. The same remarks above made in relation to the Kickapoos will apply to this portion of the Pottawatomies. The number of acres cultivated by the latter this year was about two thousand; but their crops failed entirely, and also their

hunt, on account of the incursions of the hostile Sioux, and much suffering among them is apprehended. Their mission school, which is supported by a payment of seventy-five dollars from their annuities for the support and education of each scholar, has been very successful, and has had an average attendance of one hundred and eighty-seven pupils.

The condition of the Pawnees, owing to the same causes which have been mentioned as affecting most of the other tribes of this superintendency, failure of crops and hostility of other Indians, is represented by Agent Lushbaugh as bordering upon destitution; but this once-powerful tribe, still numbering over three thousand souls, has remained entirely loyal, and furnished a force of eighty warriors to join General Curtis's expedition during the summer, offering two or three hundred if he would accept their services against the Sioux. Their school has been successful, and the children are making good progress. The various white employés of this agency are entitled to great credit for standing their ground at the time of the late incursions of the Sioux, and their resolute conduct doubtless preserved from destruction the large amount of government property at the agency. The appeal made by the agent for aid in subsisting these Indians through the winter is commended to favorable consideration, as their annuity money, upon which alone they are left to depend, is not sufficient to supply them with the necessaries of life.

The Kansas Indians, under charge of Agent Farnsworth, numbering seven hundred and one persons—a decrease of forty since last report—have had ill fortune with their crops, but from a different reason than that which applies to most of the other tribes. After planting, they went on their summer hunt, leaving no one to take care of their fields, the consequence of which is that no crop has been raised. Their schools have been reasonably successful, though the parents take little or no interest in the education of the children. The decrease in population is ascribed to prevailing diseases, not epidemic, but those of ordinary character proving generally fatal.

Agent Furnas, who assumed charged of the Omahas on the 1st of April, furnishes a satisfactory report of their condition, the tribe being well advanced in civilization, and in industrial pursuits, sober, peaceable, and loyal. Numbering about nine hundred and seventy souls, they have over one hundred men in the service of the United States, who are commended by their officers as being sober, reliable, and efficient soldiers. Under many embarrassments, owing to the want of tools and the high prices of labor, about one thousand acres of land were cultivated, and one thousand more enclosed for pasture, but none of the crops succeeded except the corn and sorghum. Of the former there is a surplus beyond the necessities of the tribe, and the latter was expected to yield two hundred gallons to the acre, and furnish them a sufficient supply. Their summer hunt was unsuccessful, being interrupted by the Sioux. The mills have been in constant operation, and a strong and capacious log block-house has been built at the agency for purposes of defence. The schools have had an average attendance of forty-six, and the missionary in charge has found attentive audiences at his Sabbath services. Agent Furnas proposes to aim at the permanent benefit of this people by inducing them to abandon their summer hunt, and engage in raising cattle to supply themselves with meat, and already many are turning their attention in that direction. The system of allotting lands in severalty is recommended for the Omahas, who seem to be fully prepared for it.

Early in this year the Winnebagoes, who had been removed from Minnesota, came down to this agency in great destitution, as stated under the head of the Northern superintendency, and were, on a representation of the facts, subsisted by Agent Furnas. He states that the Winnebagoes planted and raised a faif crop from one hundred acres of land, with the consent of the Omahas, who seemed inclined to consent to the permanent occupation by the Winnebagoes or a part of their reservation, should such an arrangement be deemed desirable.

Under date of September 15, Agent Furnas reported the arrival of the whole Ponca nation upon the Omaha reservation, the Indians giving as a reason that they had no agent and nobody to care for them. They were destitute of everything but meat, of which they had a surplus, their buffalo hunt having been very successful; and as the Omahas had no meat, but a surplus of corn, a satisfactory exchange to some extent could be made; but the united stock was insufficient for both. Should it be found expedient and desirable, as now seems probable, that the reservation for the Winnebagoes should be abandoned, and that tribe located upon the Omaha reserve, it is respectfully suggested that the Poncas may well be included in the same arrangement. As to the capacity of the Omaha reserve to suitably accommodate the three tribes, I have no doubt, and the friendly relations existing between them are such that no trouble on that score is to be apprehended. On the score of economy, such an arrangement is evidently desirable, since a single agent would suffice for the three tribes, and but little if any increase would be required in the number of other employés now engaged at each agency. I propose to make a more thorough investigation of the desirability and practicability of carrying this suggestion into effect before any definite action is had. The reports of the agents at the reserves to be abandoned are naturally to some extent biased by the apprehensions they may entertain in relation to the continuance of their respective agencies.

The Shawnees, who number about eight hundred and sixty, have advanced well in civilization, a large portion of them owning and cultivating their lands in severalty, and but for the vicinity of the Missouri border, the farmers would have realized a fair return from their labor. They have, however, been so often plundered by the guerillas of the border, that their success has been very limited the past year. Dissensions have, to some extent, arisen in this tribe, growing out of the following state of facts: Their treaty of 1854 provided that those of the tribe who should so elect might take and hold land in severalty, while for those who were unwilling to avail themselves of this privilege it was provided that an equitable portion of their reserve should be set apart to be held by them in common. It is now claimed by the latter class that the former, by the mere act of taking land in severalty, severed their connexion with the tribe, and that the latter class should be recognized by the government as constituting the tribe. I can find no warrant for this claim, either in the language of the treaty or in the cotemporaneous records of this office pertaining to the negotiation of the same; and it is strenuously urged by the other party that no one of the individuals who chose to take land in severalty so understood the treaty, or would have accepted the privilege granted them by its terms had they supposed it liable to such construction. A question somewhat collateral to this has grown out of the right asserted by the State to tax the lands held in severalty. In many instances these lands have been assessed for taxes, and sold for their payment. This question is being adjudicated by the courts of Kansas, and the agent of the tribe has been instructed to cause an appeal to be taken to the United States courts, in case the decision of the State courts is adverse to the Indians.

The report of the agent of the Delawares does not, I regret to say, enable us to present that evidence of progress which might reasonably be expected in the case of a tribe, owning and occupying a large tract of very fertile land, and drawing a large annual interest from its trust funds. The comparatively small area of land which they have under cultivation indicates that, with all their advantages, the majority of the tribe are still too much attached to shiftless and improvident habits of life. In connexion with this subject, however, it would be unjust to omit the fact that a large portion of the men of the tribe are enlisted in the United States army, where they have distinguished themselves as faithful soldiers. Their absence from the reservation in the service of the country may account, in a great measure, for the failure to put more land under cultivation this year.

The Iowas number two hundred and ninety-three souls. Having but seventy-eight men in all, forty-one of these are in the service of the United States as soldiers. The able-bodied portion of those who remained, with the women, raised a good supply of corn, hay, &c., and the tribe owns property to the amount of about $16,250. They complain that the government does not keep faith with them, in refusing to make compensation for the arrears of interest due them on bonds of States which have failed to pay interest since the commencement of the war, and in which their funds were invested by the government. A tribe so loyal, so willing to furnish men for the defence of the country, and so disposed to help itself by the pursuits of industry, surely deserves better treatment at the hands of the government.

The Sacs and Foxes of Missouri, a small tribe, numbering one hundred and seventeen persons, though embarrassed by their failure to obtain the use of part of their trust fund to be applied to their improvement in agriculture, and to the erection of comfortable houses, are in a reasonable condition of comfort, and will be rendered quite independent by the sale of their lands now in progress.

The Ottawas, numbering about two hundred, are represented as being in a good condition as to progress in civilization, are well provided with the means of life, and are devoting a liberal share of their means for the establishment and support of a manual labor school and farm, from which the best results are expected.

Under date of October 10, 1864, this office was advised by Agent Martin of the result of a grand council of delegates from the several tribes of loyal Indians of Kansas, held at the Sac and Fox agency, October 9, in view of the approach of the forces of the rebel General Price to the borders of that State, and the attempt which had been made to induce the Kansas tribes to send delegates to a council to be held in the Creek county, in October, in the interest of the rebellion. It is with great pleasure that I refer to the loyal and patriotic declaration of these tribes, submitted with the papers accompanying this report, as showing their firm determination to continue steadfast in their support of the government, and furnishing an example which might well be followed by representative gatherings of white men, who, although proud of their superiority over their red brethren, have not always exhibited such loyalty to their country.

NORTHERN SUPERINTENDENCY.

The Indians under the charge of this superintendency, aside from those who do not receive annuities in money or goods, and are not under treaty stipulations, number about fourteen thousand persons, and comprise the Winnebagoes, the Sissetons, Wahpaton, Madewakanton, and Wahpakoota bands of Sioux, the Chippewas of the Mississippi, the Pillager and Lake Winnebagoshish, Red Lake and Pembina bands of Chippewas, and the Chippewas of Lake Superior.

The Winnebagoes are those who were removed in May, 1863, under direction of an act of Congress, from their reservation in Minnesota to a new location selected for them on the Upper Missouri river, near Crow Creek. Superintendent Thompson, in his annual report herewith, states very clearly the changed condition of these Indians, and its results upon them. They had been friends to the whites, and their reward has been their expulsion from their homes. They were able in their former location to obtain a comfortable living in peace, and the circumstances of their new location, taken in conjunction with drought, ravages of insects, and fear of hostile Sioux, have discouraged and prevented them from raising any crop. They had, to convince the whites of their friendship, made common cause with them against the Sioux; and they found themselves last winter left on the Upper Missouri, with but few troops to protect them against their enemies. I do not propose to enter again upon the discussion of this subject—the removal of these Indians from Minnesota—having

given my views very fully in my last annual report. That removal was a foregone conclusion after the terrible massacre of the whites in Minnesota, in 1862, for the people only knew them as *Indians*, and did not care to distinguish between friendly and hostile. Their condition had become so uncomfortable that they submitted peaceably to the policy of removal. The failure of their first crop at the Crow Creek reservation, their fear of the hostile Sioux, the removal of the troops from the military post, and the general sympathy expressed in their behalf by nearly all who had any intercourse with them, made them discontented, and in the fall of 1863 some six hundred, out of about two thousand who were removed to the Upper Missouri, left the reservation and started down the river in their canoes. Being stopped at Fort Randall, they remained there during the winter, laboring and making a very precarious living till spring, when they were allowed to go below, and arrived in March at the Omaha reservation.

In December, 1863, when Superintendent Thompson visited Crow Creek with the annuities and supplies, there were still 1,382 Winnebagoes present, and nearly all of these remained through the winter; but in spite of the efforts of Agent Balcombe to induce them to remain, the general discontent increased to such an extent that in the spring and summer of this year they left in parties at various times, so that in last September there were 1,357 absent from their reservation. Of these about twelve hundred were among the Omahas, and one hundred and twenty-one with the Iowas and Ottoes. Forty-six had enlisted in a Nebraska regiment of cavalry.

The reasons given by these Indians for leaving their new location are fully stated by the superintendent in his report; and the apparent unfitness of that location for the purpose of agriculture, at all events to such an extent as to make it seem desirable to a people who, like the Winnebagoes, had occupied as their own the very garden of Minnesota, is made evident enough from the reports of Agent Balcombe and the efficient missionary with the Sioux, Reverend Mr. Williamson, which documents accompany this report. It was impossible to persuade the Indians to return to it; and even if a force had been at hand to compel their return, which was not the case, such enforced removal would have been very expensive, and in all probability would have resulted in their again deserting the reservation. It was therefore deemed to be the best policy to provide for their necessities at the places where they were, and this has been done, the Winnebagoes among the Omahas having in addition planted and gathered a fair crop of corn.

The question now presents itself as to what disposition shall be made of these Indians. After a careful consideration of the matter, not being able to agree either with the views of Major General Pope—to which allusion is elsewhere made, and which proposed to gather the Indians around military posts, disarm them, and compel them either to become good farmers and Christians under the salutary influence of their association with the soldiers, sutlers, and hangers on of the camps, or to starve—nor yet with the proposition of Superintendent Thompson, to buy lands for these Indians with their annuities, and scatter them throughout the thickly settled portions of the country among the whites, I think that the opportunity presents itself for doing a greater good to them, under existing circumstances, than would result from either course mentioned. The Winnebagoes are on very friendly terms with the Omahas, affiliate with them readily, and have been well received by that tribe. They desire to be settled with or near them, and the Omahas are willing to dispose of a part of their reservation, (which is abundantly large for both tribes,) as a place of residence for the Winnebagoes. I propose, then, if this course meets your approbation, and if Congress shall provide such legislation as may be necessary, to make such an arrangement with the Omahas as is here indicated. Should it be practicable hereafter to carry into effect the plan of concentrating all of the Indians upon a limited number of large reservations, the Winnebagoes will be

in as good a position as any of the tribes to be included in the arrangement. I feel that such provision as will be satisfactory to this people ought to be made soon, if possible, as their case is an exceptional one, and a hard one, and has been borne with a degree of patience unusual to the race.

The greater portion of the four bands of Sioux mentioned as being in charge of this superintendency are still hostile, and military operations against them have continued through the year. Those who were removed to Crow Creek with the Winnebagoes amounted to about one thousand three hundred in number, being mostly women and children, the families of those who were taken prisoners by the military after the massacre of 1862, together with such of the men as came in and gave themselves up, and returned some hundreds of the white captives who had been taken by the hostile parties. Altogether there were about one hundred men able to hunt. Some addition has since been made to this number by prisoners released from confinement at Davenport. Unquestionably great injustice has been done to many of these people, whose friendly acts were repaid by harsh treatment and by confinement. The statement of Reverend Mr. Williamson shows this very clearly. The Sioux at Crow creek have remained quietly on the reservation, but, owing to the causes above referred to, have been unable to provide for themselves. Since the outbreak of 1862, the annuities of the tribe have ceased to be paid, and they are provided for by direct appropriations by Congress, and I recommend the subject of an early additional appropriation to your favorable consideration. Superintendent Thompson suggests that they could aid themselves to some extent by the hunt, and recommends that fifty horses and some guns should be given them for the purpose. It does not appear to me at all certain that the good likely to result to the Indians from this course would offset the possible evil which might follow a capture of these arms and horses by the hostile bands of Sioux; but if there is to be no sufficient garrison at or near Crow Creek, the Indians must have the means of defending themselves.

The school among the Winnebagoes has been suspended during a part of the summer, but was to be reopened on the 1st of October. Even with the largest portion of the tribe absent, the school, taught by educated Indians, was quite successful. There is no mission of any kind among this people, and the agent invites the attention of the various mission boards of the country to this fact. There are two missions among the Sioux, which have been quite successful in inducing this people to remain on peaceable terms with the whites, attend to the cultivation of the soil, and seek and obtain the advantages of education. If these Sioux could be more favorably located, better results in all these respects might reasonably be expected.

The Chippewas of Mississippi, numbering about four thousand souls, have continued on peaceable terms with the whites, this being particularly the case with the Mille-lac band, who have expressed the greatest unwillingness to go to the Crow Wing agency for their annuities, lest some of their people might be unfavorably influenced by those of other bands whose fidelity they think open to suspicion. An arrangement has been made which will be satisfactory to them in this respect. Some of these people are much dissatisfied with their unsettled condition, the failure of the Senate to reach and ratify the treaty made with them last year having left them in a state of uncertainty as to what is to be their ultimate location. The extensive region which they propose to cede to the United States is understood to be very valuable, particularly for the business of lumbering, while the country reserved to the Indians is well adapted to their various wants, and quite satisfactory to them. I trust that at the coming session of Congress this treaty will be ratified without delay.

The Pillager and Lake Winnebagoshish bands of Chippewas have been peaceable and quiet, and have found in the pursuit of game and sale of furs at high prices, the planting of some five hundred acres of land and care of the

crops, the gathering of five thousand bushels of rice, and manufacture of one hundred and fifty thousand pounds of maple sugar, full employment. They numbered one thousand nine hundred and sixty-six souls at the last enumeration.

The Red Lake and Pembina band, with whom, after much difficulty, a treaty was made last year, and ratified with sundry supplementary articles during the last session of Congress, have received their first annuities under the treaty, and the various provisions made for their benefit will be carried into operation by the ensuing spring. By this treaty a large tract of land is ceded to the United States, and a right of way is secured for the extensive and growing commerce with the British possessions by way of the Red River of the North.

The settlement of the Chippewas of Lake Superior upon a number of small reservations is attended with the same evils which attach to other cases of the kind. Especially are the Lake Court Oreilles and Lake Flambeau reservations open to this remark, and the cost to the Indian of travelling to and from the agency at the annual payments is often nearly as much as the amount received. The best policy to be pursued would seem to be the abandonment, as soon as practicable, of these small reservations, and concentration of the Indians upon larger ones. The land thus abandoned would furnish, on being sold, a considerable fund for the benefit of the Indians.

Allusion has been made to a line of policy advocated by Major General Pope, as the best to be pursued towards the Indians, and the high position of that officer, as commanding the extensive military department of the northwest, which has so long been the scene of Indian hostilities, seems to require remark upon his views here, as they attracted much attention when laid before the public in the early part of the present year. His letter upon the subject was referred to this office, and I had the honor of submitting a report in reply. As both of these papers accompany this report I will not occupy more space here in a discussion of the matter, except to remark that the longer experience I have in dealing with the Indians, the greater difficulty do I find in laying down general rules applicable to all cases. That which may be successfully applied to one tribe will prove ruinous to another. So many differences exist in their degrees of intelligence, friendly or hostile feeling towards the whites; disposition to a roving life or to the pursuits of agriculture; the character of the country over which they roam; the traditions of long-continued friendship towards the whites, or of feuds to be continued and revenge to be satiated; vicinity to a large population of white people and military forces, or a life on the plains, or in mountain fastnesses, where a white face is rarely seen; and the presence or absence among them of missionaries and teachers—that the policy to be pursued in each case must necessarily be governed by its particular circumstances and surroundings. While I am far from insisting that the policy thus far pursued has been in all cases the best for the Indians, and am sensible that our course is liable to be called a system of temporary expedients, I still think it the best which the condition of things and the times present to us, and shall always be ready to adopt the course which shall, in the view of the department, seem best adapted for the real good of the people placed under the charge of this office.

Concerning the military operations during this year against the hostile Sioux, and the results obtained, I have but vague and indefinite information, no official reports having been received at this office. A considerable portion, at least, of the troops employed in those operations during the summer have been withdrawn to other fields of duty. Whether or not the campaign has resulted in such salutary punishment of the Indians as will prevent further hostilities, I have no means of judging, but the latest information from that quarter does not furnish much ground for the hope that such is the case.

It seems proper that allusion should be made here to the mission of Rev. Father De Smet to the Upper Missouri, with a view to endeavor, by the exercise of the influence which he had obtained by a long course of friendly offices for

the Sioux Indians, to induce the hostile bands of that nation to submit to the authority of the government. Copies of the instructions furnished to him, as also of his reports to this office, are herewith submitted. It will be seen that the confidence of this office in his disposition and ability to serve the government to advantage were not misplaced, his communications with the chiefs of various bands in the region north and east of Fort Berthold having resulted in finding many influential persons among the Sioux anxious for peace; but, on conference with General Sully, and finding that officer convinced that the Indians must be punished by further hostilities, and determined not to grant terms of peace till this was done, Father De Smet saw that his mission was at an end, and returned. It is questionable whether the policy thus adopted by the military authorities was, on the whole, the wisest, and whether a better result of the campaign might not have been reasonably expected, if they, holding the sword suspended over the Indians, had been able to act in concert with the missionary of peace, bearing the olive branch in his hands.

GREEN BAY AGENCY.

The report of Agent Davis and the accompanying papers give full information in regard to the Indians of this agency, being the Menomonees, numbering 1,864 persons; the Oneidas, numbering 1,123; and the Stockbridges and Munsees, numbering together 346, a total population of 3,333, located upon their respective reservations, of 230,400 acres, 61,000 acres, and 46,080 acres, for the tribes in the order named, all situated in the northeastern part of Wisconsin.

In my last annual report I urged the necessity of such a change of location for the Stockbridges and Munsees, who occupy a tract of land of very poor character, as would give them land upon which, with their habits of industry, they may raise their own subsistence. No action has been taken in that direction, and I again respectfully refer you to the report of Agent Davis relative to this subject, as furnishing ample reasons for a removal. These Indians have, by petitions to this office, asked that a treaty may be made with them for the sale of the lands which they now occupy, and that they may be allowed to select new lands west of the Mississippi. The language of the agent, that "the men of this tribe are good farmers and the women good housekeepers," is emphatic in their favor. Needing only a location upon soil of good character, where they may fairly expect a good return for their willingly bestowed labor, it seems but just that such land should be given them, that they may reap the benefit of their industry, in supplying themselves with the necessaries of life, and secure that degree of advancement in civilization and education, to the attainment of which they are exerting themselves. Of this small tribe, thirty-eight men have volunteered and been accepted in the army of the United States, being more than one-tenth of the whole population.

In regard to the Menomonees, the report of the agent furnishes very gratifying evidence of their progress in civilization, in spite of the many obstacles in their way and the poverty of the soil which they endeavor to cultivate. In my last annual report I urged the abandonment of the lands of these Indians, as well as those of the Stockbridges and Munsees, in order to their establishment upon other lands of better character for cultivation. Various circumstances, stated by the agent in his report, relative to this tribe, make their position more favorable than that of the others referred to, and it is possible that the gradual abandonment of the sandy ridges and clearing up of farms in the heavy timber, though a matter of great expense and labor, may enable this tribe to continue its commendable progress in civilization on its present location. The past year has been very unfavorable for crops of all kinds, and the results discouraging to the farmers; but fortunately this tribe has other resources, which supply, in a good degree, the deficiencies of the crops, and enable them to subsist themselves without material suffering. Nearly a hundred of the Menomonees have been

enlisted in various Wisconsin regiments, attesting the life-long loyalty of the tribe. They make brave and enduring soldiers, coming easily under discipline. The various teachers and other employés of the government appear to be devoted to their work, and the results are seen in the good and hopeful condition of the Indians of their charge.

I regret that the report from the Oneida Indians, of this agency, is not as favorable as could be desired. Occupying a tract of land generally of good character for farming purposes, these Indians, many of whom are good farmers, should be able to raise an abundance of food for themselves, and supply all the necessities and comforts and many of the simpler luxuries of life, even in seasons which, like the last, have been characterized by untimely frosts and severe droughts. But, unfortunately, the location of their reservation near several towns, many of whose inhabitants do not scruple to furnish the Indians with spirituous liquors and encourage them to vices of all kinds, tends to draw them from the pursuits of industry and engage them in the practice of vicious pursuits. Greatly to the injury of the common property of this tribe, some of its more shiftless members have been engaged, contrary to the direct orders of the agent, issued by direction of this office, in cutting and hauling away for sale much of its valuable timber. As an important means of enabling such members of the tribe as are disposed to habits of industry and economy, and willing to help themselves along the road to civilization and comfort, to reap the just reward of their good conduct, it is stated by Agent Davis that a majority of the chiefs desire to have the lands surveyed and allotted to such individuals as will cultivate them. It will be seen also that a majority of the chiefs favor a sale of a portion of their tract to the Stockbridges and Munsees, the proceeds to be invested as an educational fund for the Oneidas. For this last purpose, and to furnish the Stockbridges and Munsees with a better quality of land, the suggestion is worthy of consideration; but I confess that I entertain great doubts whether preponderating evils might not be expected to result to the latter tribe, now industrious and hard working upon a poor soil, from transporting them to a better soil within easy reach of the temptations which beset the Oneidas. Of the Oneidas ninety-six have been enlisted in the United States army, making two hundred and thirty-two volunteers from a total population of three thousand three hundred and thirty-three in this agency.

Agent Davis has labored earnestly to put a stop to the traffic in liquor with the Indians of his charge, and with some degree of success. It is to be regretted, however, that, after obtaining ample proof to convict offenders, conviction and punishment should fail for the reasons set forth in his report. The task of caring for the Indians and protecting them from the bad influences constantly pressing them back from civilization and comfort and an enlightened humanity, is hard enough when all the energies of all government officials are honestly and earnestly bent towards it. It ought not to be made more difficult, if not impossible, by such a course on the part of the federal courts as is complained of by Agent Davis.

The various wandering fragments of tribes, Winnebagoes, Pottawatomies, &c., which have hitherto given much trouble in northwestern Wisconsin, have been placed under the charge of a special agent, and no difficulty from them has been brought to the notice of this office during the present year.

MICHIGAN.

The report of Agent Leach, in regard to the Indians under his charge, while it does not exhibit any great degree of improvement among them, still furnishes evidence that they are gradually advancing to a better knowledge and appreciation of the arts of civilized life; this favorable condition of things, however, being almost exclusively confined to the larger reservations. The prominent characteristics of the Indians, as described by the agent—"want of forethought,

lack of business capacity, and habits of indolence"—stand steadfastly in the way of their rapid improvement, even under the most favorable circumstances; but the character of the influences brought to bear upon them by the white population surrounding them, and residing among them, is too often such as to form a greater obstacle to progress. These deficiencies of Indian character, and these unfortunate outside influences, can best be met and overcome by carrying out the established policy of this office, wherever it can be accomplished—that of concentrating the Indians upon large reservations, so that they may be kept under more strict control, and the trade and intercourse regulations be more stringently enforced.

Gradually, as the opportunity occurs, the smaller reservations of this agency should be abandoned, by the consent of the Indians to propositions made to them at favorable times by this office, and their concentration effected. Such an opportunity has occurred in the case of the Saginaw, Swan Creek, and Black River bands of Chippewas, who, early in 1864, by petition to this office, asked that a treaty might be made with them. It was not until the 18th of October, however, that Agent Leach and Dr. H. J. Alvord, who were designated as commissioners for the purpose, were able to meet the chiefs and headmen of those bands, and to negotiate the treaty which has been placed in your hands. Should this treaty be confirmed by the Senate, and go into operation, very favorable results may be expected to follow.

It has been found impracticable, as yet, to consummate the proposed arrangement with the bands of Ottawas, Chippewas, and Pottawatomies, in the northwestern portion of the State, by which they are to concentrate upon the Isabella reservation, but it is hoped that this arrangement can soon be made. In the treaty with the Chippewa bands, already submitted to you, provision is made for the residence of the other bands with them upon the Isabella reservation, whenever the arrangement shall be made with the latter.

NEW YORK INDIANS.

In consequence of prolonged illness of the agent for the Seneca and other Indians in the State of New York, we are without the usual annual report from that officer respecting those Indians. I submit, however, a report of John Manly, esq., special agent, in which he speaks favorably of their condition and progress. Their orphan asylum school, located on the Cattaraugus reservation—a most interesting and valuable institution—he characterizes as the "best that he has ever visited."

Directions having been given for the survey and sale of the lands in Kansas belonging to the New York Indians, without first providing for the extinction of their title thereto, the Indians were of course dissatisfied, and made urgent appeals for compensation or indemnification for this spoliation. Their claim being undeniable and just, Mr. Charles E. Mix, chief clerk of this office, was appointed, on the 5th of May last, special commissioner, to visit those Indians for the purpose of entering into a convention to extinguish their title to said lands, and providing for a just and fair remuneration. A few days previous to his arrival amongst them, the Senecas had held their annual election for officers of their government, and selected, by a small majority, the candidates of a party opposed to those in power. These new officers, together with the representatives of some of the other bands, in the opening council with the Indians, treated the commissioner with so much disrespect and indignity that, in justice to the government whose representative he was, he considered it to be his duty to withdraw from the council, and return without effecting the object of his visit. His report is submitted herewith.

These same new officers of the Senecas, with the exception of their president, have recently, in utter disregard of their official obligations, as well as of the tranquillity, welfare, and best interest of their people, attempted to subvert and overturn the constitution and republican form of government adopted by the

Senecas some years since, and to again foist upon them their old barbarian and irresponsible mode of government by chiefs. From the accompanying copy of a letter of the 15th of November instant to President Silverheels, of the Seneca nation, it will be seen that this attempt to break up and destroy a stable, constitutional, and beneficial government, under which their people have lived happily and prospered, has been severely reprobated.

STATISTICS.

The information contained in the statistical tables accompanying this report, in regard to the population, schools, wealth, and agricultural products of the Indians, is unsatisfactory, and bears an unfavorable comparison, in the aggregate, with that which some former years have exhibited. This act is to be accounted for, not only by the general difficulty of obtaining exact statistics relative to the Indian tribes, and the remissness of some of the agents in preparing and forwarding their reports, but by the hostilities pending in some superintendencies from which, in former years, gratifying statistics have been received, and especially by the condition of things in the southern superintendency, where, before the rebellion, the tribes located south of Arkansas were in a state of great prosperity, owned a large amount of property, and were far advanced in education and civilization, but who have been for the last two years exiles from their homes. Add to this the fact, that throughout a great portion of the country where the best agricultural results have hitherto been obtained, the crops have this year almost entirely failed through drought and the ravages of insects, and the meagre results indicated by our tables are accounted for.

There are at the present time thirteen superintendencies and fifty-eight agencies and sub-agencies connected with the Indian service. These have the charge of about two hundred different tribes of Indians. The number of Indians actually reported in the tables of population this year is a little over one hundred thousand. The number of Indians within the limits of the United States is estimated at about 300,000.

The whole number of schools reported is forty-seven; the number of teachers is sixty-one, and the number of scholars is fourteen hundred and fifty-eight.

The tables show that there have been cultivated by the Indians this year 18,989 acres; and by the government, for and in connexion with the Indians, 2,678 acres—producing 44,062 bushels of wheat, 237,462 bushels of corn, 37,206 bushels of oats, 130,587 bushels of potatoes, 3,924 bushels of turnips, 5,400 bushels of barley and peas, 1,944 bushels of rye, 100 bushels of beets, 900 bushels of carrots, 2,500 bushels of apples, 1,600 bushels of beans; and 5,000 bushels of rice have been gathered from the rice swamps, by the Chippewas of the Mississippi. This is an aggregate of 472,385 bushels of the products of the field—an average of nearly five bushels of vegetables and grain to each of 102,246 persons reported in the returns of population in the tables annexed.

In addition to the products just named, there are given in the tabular forms, as made by the Indians the past season, 432,471 pounds of sugar, and 2,706 gallons of sorghum sirup. The number of barrels of fish sold is 2,067. The value of furs sold is $87,587. The number of frame houses built is 594; of log houses, 1,803. The number of horses owned is 14,938; the number of asses and mules 882. The number of neat cattle reported is 7,449; of swine, 10,709; of sheep, 560. The drought has left but a small amount of hay to be made, yet there have been cut and put up this year on the several Indian reserves 3,062 tons.

The amount of wealth in individual property owned by Indians, as reported, is $1,851,404.

TRUST FUNDS.

In regard to the condition of the Indian trust fund few changes have been made since my last report.

The States reported as having failed to provide for the payment of interest due upon their bonds, held in trust for various Indian tribes, have made no arrangements for the payment of any portion of the same, or the amount which has accumulated during the past year, thus leaving a large balance due the Indians. My suggestions and recommendations relative thereto, contained in my report of 1863, are still appropriate; and I am of the opinion that, in justice to the Indians for whom the investments were made, they should be carried out.

The changes in bonds held in trust for Indian tribes by the Department of the Interior made during the past year are as follows:

Under the last clause of the 4th article of the treaty of June 24, 1862, with the Ottawas of Blanchard's Fork and Roche de Bœuf, provision was made for payment to them in four annual instalments of all sums in any manner due them from the United States: in accordance with which, such United States stock as was held in trust for them ($950) was transferred to the Tonawanda band of Senecas, the avails being carried to their credit, and an estimate for the balance of the first two instalments included in the general estimate for appropriations for the Indian service for the fiscal year ending June 30, 1866; all other bonds held in trust for them thus reverting to the United States.

It appears, by reference to the accounts of the Chickasaw orphans, that the proceeds of the sale of their lands were invested in stocks of various kinds, as also a portion of the accumulated interest; since which the amount that appeared to be due to each Chickasaw orphan was turned over to persons authorized to receive the same and paid to them, excepting in the case of Hiram R. Pitchlyn, sole surviving heir of John Pitchlyn, for whom an appropriation was made by Congress (see Statutes at Large, volume 10, page 43.) The bonds of the State of Arkansas for $3,000, heretofore reported as being held in trust for the Chickasaw orphans, thus reverting to the United States, leaving a balance of United States stock at their credit of $1,200, which has been transferred to the Tonawanda band of Senecas, and the avails placed to their credit (this balance having arisen from the investment of the accumulated interest on their bonds.)

In accordance with the recommendations heretofore made in my annual reports, that all securities, where practicable, and without loss to the Indians should be converted into those of the United States, $44,000 in bonds of the State of Kansas were sold at the price originally paid, and the avails invested in securities of the United States.

The description and amount of securities now held in trust for the various Indian tribes will be shown in the accompanying tabular statements, Nos. 1, 2, and 3.

In connexion herewith, I will state that during the past year, by direction of the Secretary of the Interior, several tracts of Indian trust land have been placed in market, all sales being made upon sealed bids, opened at the time specified in the advertisements, in the presence of such bidders as might choose to be present.

The prices realized have steadily advanced from the first offering, showing the increased demand for good farming lands.

The total number of acres sold amounts to 104,374$\frac{22}{100}$ acres, realizing the sum of $255,873 74, as shown by the following tabular statement, viz:

	No. of acres.	Amount.	Average per acre.
Winnebago trust lands, (in the State of Minnesota).	72,440.43	$205,353 22	$2 83½
Kansas trust lands, (in the State of Kansas).....	18,468.25	28,565 77	1 54½
Sacs and Foxes of Missouri trust lands, (in the Territory of Nebraska).....	13,465.54	21,964 75	1 63
	104,374.22	255,873 74	.....

The statement upon which the foregoing report is principally based will be found in detail in the accompanying papers. In conclusion I desire to state that the preparation and transmission of this report have been unavoidably delayed in consequence of the tardiness of several of the superintendents and agents in forwarding their annual reports, which was, doubtless, in some instances, occasioned by the interruptions of mails upon the plains.

Respectfully submitted:

WILLIAM P. DOLE, *Commissioner.*

Hon. J. P. USHER,
Secretary of the Interior.

REPORT OF THE COMMISSIONER OF PENSIONS.

DEPARTMENT OF THE INTERIOR,
Pension Office, November 1, 1864.

SIR: The following report of the transactions of this bureau for the past year is respectfully submitted.

ARMY PENSIONS.

At the commencement of the last fiscal year the number of revolutionary soldiers whose names were on the pension rolls had been reduced by death to eighteen. Before the first day of January last this number was further diminished to twelve. An act of Congress, approved April 1, 1864, provided an additional pension of one hundred dollars per annum to each of these survivors, commencing on the first day of January, 1864, and terminating with their decease. At the present date seven of the number who were the intended recipients of this special bounty are known to have died at an average age of about one hundred years. It is deemed not inappropriate to add the following particulars in regard to the five who are supposed to be still living:

Lemuel Cook—enlisted at Hatfield, Massachusetts—is now about ninety-eight years of age, and resides in Clarendon, Orleans county, New York.

Samuel Downing—enlisted in Carroll county, New Hampshire—is about ninety-eight years of age, and lives in Edinburg, Saratoga county, New York.

William Hutchings—enlisted at Newcastle, Maine (then Massachusetts)—is now one hundred years old, and resides in Penobscot, Hancock county, Maine.

Alexander Maroney—enlisted at Lake George, New York, as a drummer boy—is now about ninety-four years of age. His residence is Yates, Orleans county, New York.

James Barham—substitute for a drafted man in Southampton county, Virginia—lives in the State of Missouri, and is in the one hundred and first year of his age.

The number of original applications on behalf of widows of revolutionary soldiers, admitted during the last fiscal year, was ten, with a yearly amount of pensions equal to $932 21. One pension of this class has been increased at the rate of $4 per annum.

There were added to the invalid rolls—almost exclusively under the pension act of July 14, 1862—during the year, 16,770 pensioners, at an aggregate yearly rate of $1,224,340 20. The rates of pension of 192 invalids, previously enrolled, were increased during the same period by an aggregate yearly amount of $6,143 60.

The total number of original applications of widows, orphan children, dependent mothers, and dependent sisters—also, with few exceptions, under the last named act—admitted during the year was 22,198, at an aggregate annual

rate of $2,333,222. The pensions of five widows, previously enrolled, were increased at an aggregate annual rate of $30.

The whole number of army pensioners who had been paid within the fourteen months preceding June 30, 1864, was as follows:

	Number of pensioners.	Yearly am't of pensions.
Invalids	22,767	$1,624,388 80
Revolutionary pensioners	1,430	115,217 43
Widows, mothers, and orphans, (other than revolutionary)	25,433	2,676,579 00
Total	49,630	4,416,185 23

The actual payments of army pensions during the last fiscal year were as follows:

Invalids	$1,409,943 01
Revolutionary pensioners (including expense of disbursing agencies)	166,757 89
Widows, mothers, and orphans	2,763,667 70
	4,340,368 60

NAVY PENSIONS.

The number of navy invalid pensioners added to the rolls during the year was 271, at an aggregate annual rate of $17,702. Of the pensioners of this class previously enrolled, seven had their pensions increased during the year by an aggregate annual sum of $225.

Original applications of widows, orphan children, dependent mothers, or dependent sisters, of deceased officers or seamen of the navy, were admitted to the number of 248, at an aggregate annual rate of $33,762.

The total number of navy pensioners who had been paid within fourteen months preceding the close of the fiscal year was as follows:

	Number of pensioners.	Yearly am't of pensions.
Invalids	712	$46,173 10
Widows, orphans, and mothers	793	133,018 00
	1,505	179,191 10

The whole amount of navy pensions paid during the year was as follows:

Invalids	$30,578 26
Widows, orphans, and mothers	133,215 66
Privateer invalids	454 00
Total	164,247 92

GENERAL AGGREGATE.

The total number of army pensioners inscribed on the rolls during the year was 39,068, at an aggregate annual rate of $3,558,494 41. The total number of army pensioners on the rolls was 49,630, at an aggregate annual rate of $4,416,185 23.

The total number of navy pensioners inscribed on the rolls during the year was 519, at an aggregate annual rate of $50,464. The total number of navy pensioners on the rolls was 1,505, at an aggregate annual rate of $179,191 10.

Whole number of pensioners 51,135, at an aggregate annual amount of $4,595,376 33.

COMPARISON WITH PREVIOUS YEARS.

The following table shows the number of pensioners, of the several classes, during the last three years:

Class of pensioners.	1862.	1863.	1864.
Revolutionary soldiers	30	18	12
Widows of revolutionary soldiers	1,850	1,573	1,418
Army invalids	3,878	7,248	22,767
Widows, orphans, and mothers, (army)	1,485	4,820	25,433
Navy invalids	421	544	712
Widows, orphans, and mothers, (navy)	483	577	793
	8,147	14,780	51,135

The annual aggregates, and total yearly payments, during the same years, were as follows:

	1862.	1863.	1864.
Annual aggregate	$921,076 69	$1,371,716 40	$4,595,376 33
Total amount paid	790,384 76	1,025,139 91	4,504,616 92

STATISTICAL TABLES.

Several tables, exhibiting in greater detail the facts embraced in the foregoing summary, with other statistics of less general interest, are appended to this report.

BOUNTY LAND.

During the year ending September 30, 1864, there were 1,812 land warrants issued, granting, in the aggregate, 286,960 acres of public land, as follows:

Under the act of February 11, 1847,

20 warrants, 160 acres each	3,200 acres.

Under the act of March 3, 1855, and supplementary act,

1,740 warrants, 160 acres each	278,400 acres.
30 warrants, 120 acres each	3,600 acres.
22 warrants, 80 acres each	1,760 acres.
1,792	283,760 acres.

The whole number of acres of bounty land granted during the last three years was 635,900.

THE PENSION ACT OF JULY 14, 1862.

More than a year had elapsed after the commencement of the rebellion before the passage of a general act granting pensions to soldiers becoming disabled, and to the widows or dependent relatives of those losing their lives in the performance of military and naval duty in the present war. Former acts were deemed applicable to the class of invalids in this service, and many claims were allowed accordingly. A decision of the department, conforming to an official opinion of the Attorney General, excluded widows and orphans from participation in the benefits conferred on these classes by previous army pension laws. The act of July 14, 1862, extending its operation backward to March 4, 1861, and forward indefinitely, is by far the most liberal pension law ever enacted by this government. The circle of beneficiaries has been thereby enlarged by including the two new classes of dependent mothers and dependent orphan sisters. While continuing the rates of army invalid pensions substantially as before, this act has doubled the former allowance to widows and minor children

(under sixteen years old) of deceased private soldiers; it has increased the rates granted to invalid seamen, to correspond with that allowed to the soldier; and it has diminished, to a slight extent, the rates of pensions for some of the higher grades in the navy, introducing greater unity into the system as affecting both branches of the service.

The number of new pensioners annually enrolled under the provisions of any or all of the previous acts is now very small. The business of the bounty land division has gradually fallen off, until it has long since ceased to have a leading importance, as it had for some years, in the transactions of this bureau. The chief labor now devolved upon the Pension Office, therefore, is that arising under the act of July 14, 1862, and to this mainly will attention necessarily be directed in the future. Of the sum total of $4,506,903 81, paid during the last year to pensioners of all classes, more than $3,500,000 was chargeable to this act. Under all other acts the amount payable is steadily, if not rapidly, diminishing; while under this, the increase has been very large, and, even with an early termination of hostilities, the annual sum must continue to swell for some time to come.

Estimates in regard to the amounts required to carry out the provisions of any pension law should perhaps be hazarded with some caution, even when a state of war no longer exists, and there are fixed data on which to base a calculation. But while hostilities actually continue, the conditions are so uncertain and variable, and so much is left to mere speculation and conjecture, (which are all that can tell us the number and results of battles for a given year, determine the mortality in camp, or fix the duration of the war,) that the most careful estimates are very liable to be much at fault. It was my confident hope, which the experience of previous years tended to confirm, that the total payments under this law would never exceed $7,000,000 a year. Half that amount, however, (including arrears,) has already been reached, as indicated above. For the current year there will probably be required, for all classes of pensions, and for arrearages to new pensioners, (which, in some instances, exceed one year's pension,) a sum exceeding $7,000,000.

During the first quarter of the current fiscal year the admissions under this act have been as follows:

	July.	August.	Sept.	Total.
Invalids, (army)	972	878	822	2,672
Widows, orphans, and mothers, (army)	1,634	1,849	2,382	5,865
Navy pensioners during the same months				108
Aggregate				8,645

Assuming the admissions of this quarter as a basis, and taking the average rate per annum of these three classes from those on the rolls during the last fiscal year, we have the following results for the current year:

Class.	Number.	Average rate per annum.	Amount.
Invalids, (army)	10,688	$73 00	$780,224 00
Widows, &c., (army)	23,380	105 00	2,454,900 00
Navy pensioners	432	99 16	42,837 12
Total	34,500		3,277,961 12
Add amount on rolls June 30, 1864			4,595,376 33
Total apparent amount for year ending June 30, 1865			7,873,337 45

From this estimate, however, must be deducted the diminution to be expected

by reason of deaths, discontinuances of disability, and other causes, from the amount apparently required at the commencement of the fiscal year—a sum sufficient, probably, to reduce the aggregate to less than $7,500,000. Of this latter amount, it may be fairly presumed that more than $500,000 will be chargeable to other acts, general and special, than that of July 14, 1862. It is assumed in the foregoing statement that the amount of arrears due at the time of allowing the claims admitted during the current year will not be more than sufficient to raise the average of all such admissions to one full annual payment.

Every active campaigning season adding largely to the pension list, it is obvious that all calculations as to the ultimate annual amount to be reached under this act, when made at an early stage of the war, under the hope of its speedy termination, will be found inadequate in proportion to the prolonged duration of hostilities. The facts stated above, in connexion with those given in my last report, will afford the additional light derived from the actual experience of two years, and aid in modifying former estimates, as may seem to be required.

The passage of the act of July 14, 1862, and of the supplementary act of July 4, 1864, marked a decided advance towards the organization of a consistent and uniform pension system. No other nation has provided so liberally for its disabled soldiers and seamen, or for the dependent relatives of the fallen. The government has undertaken to make up, to a certain specified extent, for the loss of health or members, when incurred strictly in its military or naval service, and to furnish regular pecuniary aid to the families of those whose lives are thus sacrificed. From this simple impulse of justice, manifesting itself in the war of independence, has sprung the entire system now expanding into proportions perhaps little anticipated in those early days. In place of laws for particular emergencies, cautiously limited to retrospective action, we have now a statute which puts on an equal footing each arm of the service, embracing the future as well as the present in its scope, and providing for regulars, volunteers, and militia alike.

With this step in advance, however, it is not to be claimed that the organization of the system is yet complete, or entirely adequate to a work of such growing magnitude. It may not be inappropriate, therefore, to submit certain suggestions, founded on experience, with a view to further improvement.

In order to the proper adjudication of a pension claim, little parol evidence would be needed, were the army records and rolls all made out with completeness and promptitude, in accordance with the Army Regulations and with the orders of the War Department. The claimant's declaration and identification would then be met by a corresponding record, if the claim be valid, seldom leaving any further testimony to be required. The Pension Office having no longer any direct connexion with the War Department, there is naturally the less inducement to exact a strict compliance with rules adopted merely for the benefit of the former, or to modify them to meet its wants, as legislation is varied. This difficulty has been much relieved by the courtesy with which the proper bureaus of the War Department have not only furnished the evidence in their possession, but have specially instructed officers of the army in this regard. A similar remark applies to the Navy Department. How dependent this office has been upon these two departments—at a cost to them of much time and labor—it is unnecessary further to indicate, while suggesting the very great convenience, to all concerned, of some method by which reports of the service, casualties, and discharges of officers, soldiers, and seamen should be made directly to this department, and be at all times available to this office for reference.

The fact that medical officers of the army and navy have no definite instructions as to rating the degree of disability of soldiers and seamen to be discharged for injuries or disease is also deserving of attention. In a large proportion of such cases, these officers have neglected to fix any degree of disa-

bility. When estimates have been made, the want of uniformity has been so marked, that to accept them implicitly would have involved the officer in flagrant inconsistency. Inasmuch as these officers belong to other departments, it has not seemed to me appropriate to volunteer any recommendations for the relief of this evil; nor has it been found an easy matter to adapt instructions to all the varied cases arising, even for the guidance of the civil surgeons under the immediate authority of this office.

As affording an illustration of the variety of origin and diversity of degree of the disabilities for which pensions are claimed, the following summary of three hundred cases, consecutively examined by one of the surgeons appointed by this office, (William M. Chamberlain, M. D., of New York,) is here given:

Gunshot wounds	139
Pulmonary consumption	20
Chronic rheumatism	9
Hemiplegia	3
Disease of the eyes	7
Hydrocele	4
Nephritis	2
Sun-stroke	2
Anchylosis of fingers	2
Disease of knee-joint	1
Varix	1
Bright's disease	1
Emphysema and sun-stroke	1
Paralysis agitans	1
Nervous debility	1
Unclassified injuries	2
Hernia	33
Disease of the heart	13
Chronic diarrhœa	4
Hematocle	2
Loss of an eye	5
Epilepsy	2
Disease of the heart and lungs	2
Deafness	2
Disease of hip-joint	1
Chronic orchitis	1
Emphysema	1
Fracture of the ribs	1
Sabre cut	1
Contusion	1
Unreduced dislocation	1
No disability found	32

The average degree of disability reported was .674, or about two-thirds.

This list of the causes of disability is far from being an exhaustive one. The degrees estimated range from one-fourth to total. Under such general instructions as have been given, it is improbable that any two surgeons can be found who would, acting separately, fix the same degree in each of these several cases. While the act of July 14, 1862, does not distinctly state that the disability to be taken into account is that for procuring a subsistence by *manual* labor, such has been the construction of its meaning, in accordance with the express language of the act of April 10, 1806, and with the uniform precedents in this office. In estimating the degree, reference is not had to the particular employment of the applicant before entering the service, but to his capacity for manual labor of any kind. The loss of a limb, or of its extremity, has al-

ways been rated as a total disability; and the other effects of wounds have been estimated proportionably, as nearly as may be. In regard to this latter class of disabilities, however, and still more for the manifold diseases and injuries on account of which pensions are claimed, a more definite system is desirable, such as may best be matured by a commission of surgeons experienced in the service. One of the first duties of such a commission would be to discriminate between the causes of disability on account of which pensions should be granted, and those which cannot properly be regarded as incident to the service. It may well be questioned whether all those included in the above list belong to the former class. It is equally doubtful whether, assuming a given disability from a particular cause, at the time of the soldier's discharge, a like rate should be fixed for that cause in every case. There should manifestly be some distinction between permanent and temporary disabilites; between those properly incurable and those that would yield to professional treatment; between diseases that are organic and those which are functional; between those purely superinduced by the service and those which are partly constitutional; between the unavoidable results of climate, exposure, or battle, and the casual effects of carelessness and self-neglect, if, indeed, the last-named class, in each of these instances, should not be altogether excluded.

Whether the much-needed revision of these matters, thus imperfectly indicated, is to be best attained through the invited co-operation of the War Department, by further legislative action, or by this department independently, in the exercise of authority which it already possesses, is submitted for your consideration. That the work should be undertaken at an early day, is certainly to be desired.

PENSION AGENCIES.

Since my last report, new disbursing agencies have been established at Madison, Wisconsin; Canandaigua, New York; Columbus, Ohio; Dubuque and Fairfield, Iowa; Cairo, Illinois, and Dover, Delaware. With these additional agencies, and with the increased compensation to the disbursing agents, granted by an act passed at the last session of Congress, enabling them to employ the necessary assistants, the requisite promptitude in the payment of pensions is believed to have been secured. Any further increase of the number of agencies, in any of the States in which pensions are now made, will not probably be needed. Aside from occasional complaints that exorbitant fees have been exacted by attorneys for executing the necessary vouchers and drawing the semi-annual payments, (not directly controllable by this office,) there is apparently general satisfaction with the present organization for the disbursement of pensions.

PERIODICAL AND SPECIAL EXAMINATIONS.

The expediency of periodical examinations of invalid pensioners whose disabilities are not clearly permanent, and of occasional special examinations in cases that are thought to be doubtful, has been shown by a careful execution of the law requiring biennial examinations, and by such special investigations of a similar character, in addition, as have already been made. These latter will be more systematically continued, in the several disbursing districts, under the particular provision made for such examinations by the eighth section of the supplementary pension act of July 4, 1864. As illustrating the operation of the biennial law, the general results of the examination of four hundred and seven cases on the Boston roll (George Stevens Jones, M. D., and A. B. Bancroft, M. D., being jointly the examining surgeons) may here be stated. Prior to such examination, these pensioners were inscribed on the roll at an annual aggregate rate of $29,596. The net total reduction made by the examinations

in these, was $6,420 per annum, or nearly 22 per cent. In a few cases, an increase was recommended, and four pensioners were dropped from the pension list, on account of the discontinuance of their disability. A general reduction, in an equal or still greater proportion, of the entire invalid list, without any injustice to the pensioners, may be assumed as the result of a strict enforcement of this law.

PENSION SURGEONS.

The following list includes the names of the examining surgeons now acting, who have been appointed under the eighth section of the act of July 14, 1862, many of whom have been designated since the date of my last report:

LIST OF PENSION SURGEONS.

Names.	State.	Counties.	Post office address.
E R. Barden	Connecticut	Fairfield	Danbury.
David H. Nash	do	do	Bridgeport.
A. L. Williams	do	do	Brookfield.
Pinckney W. Ellsworth	do	Hartford	Hartford.
Rial Strickland	do	do	Enfield.
B. N. Comings	do	do	New Britain.
James Welch	do	Litchfield	West Winsted.
C. B Maltbie	do	do	Falls Village.
Harmon W. Shove	do	do	Woodbury.
Miner C. Hazen	do	Middlesex	Haddam.
Rufus Baker	do	do	Middletown.
Henry Pierpont	do	New Haven	New Haven.
Robert McDurdy Lord	do	New London	New London.
Ralph Farnsworth	do	do	Norwich.
John B. Lewis	do	Tolland	Rockville.
Stephen G Risley	do	do	do.
Samuel Hutchins	do	Windham	West Killingly.
George F. Woodward	California	San Francisco	San Francisco.
Isaac Jump	Delaware	Kent	Dover.
James F. Wilson	do	New Castle	Wilmington.
Thomas H Stewart	Dist. of Columbia	Washington	Washington city.
J. C. W. Kennon	do	do	Armory Sq. Hosp'l.
Julius Nichols	do	do	244 "F" street.
A. D Ruggles	do	do	Georgetown.
Joseph Robbins	Illinois	Adams	Quincy.
G. W. Barrett	do	Alexander	Cairo.
Jacques Ravold	do	Bond	Greenville.
George N. Woodward	do	Boone	Belvidere.
C C. Lattimer	do	Bureau	Princeton.
E. S Blanchard	do	do	do.
S. M. Ely	do	Carroll	Mt. Carroll.
Winston Somers	do	Champaign	Urbana.
C. V. Rockwell	do	Christian	Taylorsville.
Fleming R. Payne	do	Clark	Marshall.
F. R Pitner	do	Clay	Clay City.
James Portmess	do	do	Xenia.
John McCabe	do	Clinton	Carlyle.
Aaron Ferguson	do	Coles	Charlestown.
Isaiah P. Lynn	do	Cook	Chicago.
R L. Rea	do	do	do.
Moses C. Kellogg	do	De Kalb	Genoa.
Isaac W. Garvin	do	do	Sycamore.
Naham E. Ballou	do	do	Sandwich.

List of pension surgeons—Continued.

Names.	State.	Counties.	Post office address.
Levi L. Todd	Illinois	Edgar	Paris.
L. W. Lowe	do	Edwards	Albion.
Lewis W. Smith	do	Effingham	Effingham.
Thomas W. Sams	do	Franklin	Benton.
Reuben R. McDowell	do	Fulton	Lewistown.
Joseph W. Redden	do	Gallatin	Shawneetown.
James B. Samuel	do	Greene	Carrollton.
Augustus F. Hand	do	Grundy	Morris.
E. D. Rathbone	do	Hamilton	McLeansboro'.
Charles Hay	do	Hancock	Warsaw.
C. M. Clark	do	Henry	Galva.
U. G. Stevens	do	Jasper	Newton.
E. E. Welborn	do	Jefferson	Mt. Vernon.
Joseph O. Hamilton	do	Jersey	Jerseyville.
Benjamin F. Fowler	do	Jo Daviess	Galena.
John H. Norris	do	Johnson	Crimea.
George Bratton	do	do	Vienna.
Joseph H. Way	do	Kankakee	Kankakee City.
O. D. Howell	do	Kane	Aurora.
J. W. Spalding	do	Knox	Galesburg.
Benjamin S. Cory	do	Lake	Waukegan.
Chester Hard	do	La Salle	Ottawa.
C. M. Carter	do	Lawrence	Lawrenceville.
Oliver Everett	do	Lee	Dixon.
Samuel Sargent	do	Logan	Lincoln.
Richard D. Hammond	do	McDonough	Macomb.
Harmon A. Buck	do	McHenry	Marengo.
B. A. Wade	do	do	Woodstock.
Eli K. Crothers	do	McLean	Bloomington.
Ira B. Curtis	do	Macon	Decatur.
E. E Webster	do	Macoupin	Carlinville.
A. B. McChesney	do	Madison	Alton.
John H. Wier	do	do	Edwardsville.
John L. Hallam	do	Marion	Centralia.
Walter D. Stillman	do	Marshall	Lacon.
James W. McCall	do	Massac	Metropolis.
Henry Jones	do	Morgan	Jacksonville.
William W. Burns	do	Ogle	Polo.
Edward Dickinson	do	Peoria	Peoria.
William N. Bottomly	do	Perry	Tamaroa.
John McLain	do	do	Du Quoin.
Byron B. Jones	do	Piatt	Monticello.
Alexander H. Kellogg	do	Pulaski	Mound City.
Cuthbert T. Jones	do	Randolph	Chester.
Samuel McClure	do	Richland	Olney.
Thomas Galt	do	Rock Island	Rock Island.
Ferdinand Rubae	do	St. Clair	Belleville.
John W. Mitchell	do	Saline	Harrisburg.
Thomas S. Henning	do	Sangamon	Springfield.
Charles S Shelton	do	do	do.
Enos Penwell	do	Shelby	Shelbyville.
Thomas Hall	do	Stark	Toulon.
Benjamin T. Buckley	do	Stephenson	Freeport.
G. P. Wood	do	Tazewell	Washington.
L. K. Parks	do	Union	Anna.
John J. Lescher	do	Wabash	Mt. Carmel.
John A. Young	do	Warren	Monmouth.
Elihu H. Henry	do	Washington	Nashville.
John D. Cope	do	Wayne	Fairfield.

List of pension surgeons—Continued.

Names.	State.	Counties.	Post office address.
Francis Ronalds	Illinois	White	Grayville.
Abisha S. Hudson	do	Whitesides	Sterling.
James McCann	do	Will	Joliet.
J. F. Daggett	do	do	Lockport.
Isaac M. Lewis	do	Williamson	Marion.
Jabez B. Lyman	do	Winnebago	Rockford.
Benj'n S. Woodworth	Indiana	Allen	Fort Wayne.
Matthew H. Bonnell	do	Boone	Lebanon.
William F. Collum	do	Clark	Jeffersonville.
Williamson P. Dunn	do	Clinton	Frankfort.
John S. B. Kelso	do	Crawford	Leavenworth.
M. H. Harding	do	Dearborn	Lawrenceburgh.
John W. Moodey	do	Decatur	Greensburg.
Solomon Stough	do	De Kalb	Waterloo City.
John C. Helm	do	Delaware	Muncie.
Mathew Huber	do	Dubois	Jasper.
David H. Henry	do	Elkhart	Elkhart.
M. M. Latta	do	do	Goshen.
Samuel W. Vance	do	Fayette	Connersville.
William A. Clapp	do	Floyd	New Albany.
Rufus Haymond	do	Franklin	Brookville.
Hugh H. Patten	do	Gibson	Princeton.
Milton Jay	do	Grant	Marion.
James A. Minick	do	Green	Point Commerce.
Thomas T. Butler	do	Hamilton	Noblesville.
John Slemons	do	Harrison	Corrydon.
Wilson Lockhart	do	Hendricks	Danville.
Isaac Mendenhall	do	Henry	Newcastle.
George W. Riddell	do	do	Knightstown.
F. S. C. Grayston	do	Huntington	Huntington.
Amos Frost	do	Jackson	Seymour.
James H. Loughridge	do	Jasper	Rensselaer.
Manuel Reed	do	Jay	Jay.
J. G. Hendricks	do	Jefferson	Madison.
James C. Burt	do	Jennings	Vernon.
Samuel C Whiting	do	Knox	Vincennes.
Silas C. Sapp	do	Kosciusko	Warsaw.
Leonard Barber	do	La Grange	Walcott's Mills.
Harvey Pettibone	do	Lake	Crown Point.
Luther Brusie	do	Laporte	Laporte.
Townsend Ryan	do	Madison	Anderson.
George W. Mears	do	Marion	Indianapolis.
F. S. Newcomer	do	do	do.
George W. Clippenger	do	do	do.
Nehemiah Sherman	do	Marshall	Plymouth.
John H. Constant	do	Miami	Peru.
James F. Dodds	do	Monroe	Bloomington.
Milton Herndon	do	Montgomery	Crawfordsville.
B. D. Blackstone	do	Morgan	Martinsville.
Stanbury W. Lemmon	do	Noble	Albion.
Benj'n A. Allison	do	Owen	Spencer.
Samuel B. Bushnell	do	Parke	Rockville.
William D. Thomas	do	do	do.
Thomas R. Austin	do	Perry	Cannellton.
Edwin V. Spencer	do	Posey	Mt. Vernon.
Samuel Fisher	do	Putnam	Greencastle.
David Ferguson	do	Randolph	Winchester.
W. T. S. Cornett	do	Ripley	Versailles.
William A. Pugh	do	Rush	Rushville.

List of pension surgeons—Continued.

Names.	State.	Counties.	Post office address.
Daniel Dayton	Iowa	St. Joseph	South Bend.
J. W. Crooks	do	Spencer	Rockport.
Cornelius D. Rice	do	Steuben	Angola.
E S. Gale	do	Switzerland	Vevay.
Thomas Chesnut	do	Tippecanoe	Lafayette.
Benjamin J. Day	do	Vanderburg	Evansville.
J. C. Thompson	do	Vigo	Terre Haute.
J. Holloway	do	Wabash	Wabash.
T. J. Johnson	do	Warrick	Boonville.
Harvey D. Henderson	do	Washington	Salem.
William Dickey	do	Wayne	Centreville.
Elias Fisher	do	do	Richmond.
William S Boyd	do	Benton	Vinton.
S. N. Pierce	do	Black Hawk	Cedar Falls.
. B. Williams	do	do	Waterloo.
B. F. McCarty	do	Boone	Boonsboro'.
D. M. Cool	do	Bremer	Waverly.
John G. House	do	Buchanan	Independence.
James Ford Logan	do	Butler	Clarksville.
J. F. Kennedy	do	Cedar	Tipton.
E. M. Laws	do	Clarke	Oceola.
J. A. Blanchard	do	Clayton	Elkader.
John E. Ennis	do	Clinton	Lyons.
A. B. Ireland	do	do	Camanche.
D. A. Hurst	do	Davis	Bloomfield.
John P. Finley	do	Decatur	Leon.
P. M. McLaren	do	Des Moines	Burlington.
R. S. Lewis	do	Dubuque	Dubuque.
C. C. Parker	do	Fayette	Fayette.
J. N. Penn	do	Fremont	Sidney.
E. B. Fenn	do	Guthrie	Guthrie Centre.
A. W. McClure	do	Henry	Mt. Pleasant.
Preston L Lake	do	Jackson	Maquokita City.
C. S. Clarke	do	Jefferson	Fairfield.
Henry Murray	do	Johnson	Iowa City.
Lucius French	do	Jones	Anamosa.
Edward Whinery	do	Lee	Fort Madison.
H. T. Cleaver	do	do	Keokuk.
Henry Ristine	do	Lynn	Marion.
H. W. Jay	do	Lucas	Chariton.
S. B. Cherry	do	Madison	Winterset.
Charles Beardsley	do	Mahaska	Oskaloosa.
R. Howe Taylor	do	Marshall	Marshalltown.
James A. Donclan	do	Mills	Glenwood.
W. B. Cousins	do	Monroe	Albia.
Christian Hershe	do	Muscatine	Muscatine.
N. L. Van Sandt	do	Page	Clarinda.
Isaac Windle	do	Polk	Des Moines.
J. V. H Judd	do	Pottawatomie	Council Bluffs.
Egbert S Barrows	do	Scott	Davenport.
J. D. Elbert	do	Van Buren	Lebanon.
William Hilton	do	Wappelo	Agency City.
M. A. Dashell	do	Warren	Hartford.
William McClelland	do	Washington	Washington.
E. B. Hutchinson	do	Weinneshiek	Decorah.
Stephen O. Himoe	Kansas	Bourbon	Fort Scott.
Edwin H Grant	do	Doniphan	Troy.
S. C. Harrington	do	Douglass	Lawrence.
Alonzo Fuller	do	do	do.

List of pension surgeons—Continued.

Names.	State.	Counties.	Post office address.
Selden W. Jones	Kansas	Leavenworth	Leavenworth.
O. C. Bender	do	Linn	Mound City.
John F. Newton	do	Lyon	Emporia.
Charles J. Lee	do	Marshall	Marysville.
D. W. Stormont	do	Shawnee	Topeka.
William Feland	Kentucky	Christian	Hopkinsville.
William T. McNees	do	Harrison	Cynthiana.
Thomas W Colescott	do	Jefferson	Louisville.
E. J. Vaughan	do	do	do.
J. J. Temple	do	Kenton	Covington.
R. C. Chenault	do	Madison	Richmond.
J. B. Sparks	do	Mercer	Harrodsburg.
J. F. McMillan	do	Nicholas	Carlisle.
James H. Barbour	do	Pendleton	Falmouth.
James A. McReynolds	do	Todd	Elkton.
George Kellogg	Louisiana	Orleans	New Orleans.
Geo. A. Blake	do	do	do.
Alonzo Garcelon	Maine	Androscoggin	Lewiston.
Edward N. Mayo	do	Aroostook	Houlton.
William C. Robinson	do	Cumberland	Portland.
T. S. Foster	do	do	Brunswick.
Nathaniel Peasc	do	do	Bridgeton.
Thomas A. Foster	do	do	Portland.
D. O. Perry	do	do	do.
John N. Houghton	do	Franklin	Phillips.
Edmund Russell	do	do	Farmington.
P. H. Harding	do	Hancock	Ellsworth.
George Parcher	do	do	do.
James B. Bell	do	Kennebec	Augusta.
Stephen Whitmore	do	do	Gardiner.
Nathaniel R. Boutelle	do	do	Waterville.
Charles N. Germaine	do	Knox	Rockland.
John B Walker	do	do	Union.
Alden Blossom	do	Lincoln	Boothbay.
William A. Rust	do	Oxford	South Paris.
D. Lowell Lamson	do	do	Fryeburg.
Ralph K Jones	do	Penobscot	Bangor.
James C. Weston	do	do	do.
John Benson	do	do	Newport.
Luther Rugus	do	do	Patten.
Benj'n Johnson	do	Piscataquis	Dover.
John W. Cook	do	do	Foxcroft.
Israel Putman	do	Sagadahoc	Bath.
Charles W. Snow	do	do	Skowhegan.
John G Brooks	do	Waldo	Belfast.
A. G. Peabody	do	Washington	Machias.
L. P. Babb	do	do	Eastport.
Samuel B. Hunter	do	do	Cherryfield.
Charles E Swan	do	do	Calais.
Theodore H Jewett	do	York	South Berwick.
John L. Allen	do	do	Saco.
C. H Ohr	Maryland	Alleghany	Cumberland.
George W. Wayson	do	Baltimore	Baltimore.
Thomas Owings	do	do	do.
Thomas King Carroll	do	Dorchester	Cambridge.
Oliver S. Root	Massachusetts	Berkshire	Fittsfield.
George C. Lawrence	do	do	North Adams.
Eliphalet Wright	do	do	Lee.
Horace D. Train	do	do	Sheffield.

List of pension surgeons—Continued.

Names.	State.	Counties.	Post office address.
Foster Hooper	Massachusetts	Bristol	Fall River.
John H. Mackie	do	do	New Bedford.
Henry B. Hubbard	do	do	Taunton.
John Pierce	do	Dukes	Edgartown.
W. H. Burleigh	do	Essex	Lawrence.
Henry C. Perkins	do	do	Newburyport.
David Choate	do	do	Salem.
Kendall Flint	do	do	Haverhill.
Isaac F. Galloupe	do	do	Lynn.
Charles L Fisk, jr	do	Franklin	Greenfield.
Adam C. Deane	do	do	do.
Edward Barton	do	do	Orange.
Cyrus Temple	do	do	Heath.
Peter L. B Stickney	do	Hampden	Chicopee.
Alfred Lambert	do	do	Springfield.
Samuel A. Fisk	do	Hampshire	Northampton.
Ebenezer C. Richardson	do	do	Ware.
B. F. Smith	do	do	Amherst.
Amos P. Bancroft	do	Middlesex	Charlestown.
Samuel Richardson	do	do	Watertown.
Alonzo Chapin	do	do	Winchester.
Nathan Allen	do	do	Lowell.
J. Q. A. McCollister	do	do	Groton Junction.
Alexander L. B. Monroe	do	Norfolk	Medway.
Alexander Jackson	do	Plymouth	Plymouth.
James M. Underwood	do	do	Abington.
F. A. Sawyer	do	do	Wareham.
George Stevens Jones	do	Suffolk	Boston.
S. L. Sprague	do	do	do.
William H. Page	do	do	do.
Oramel Martin	do	Worcester	Worcester.
Charles W. Whitcomb	do	do	Barre.
Alfred Miller	do	do	Fitchburg.
Joshua Porter	do	do	North Brookfield.
E. G. Burnett	do	do	Webster.
George M. Morse	do	do	Clinton.
John G. Metcalf	do	do	Mendon.
Henry Clarke	do	do	Worcester.
George Jewett	do	do	Fitchburg.
Abram R. Calkins	Michigan	Allegan	Allegan.
Stillman Richardson	do	Berrien	Niles.
Stephen S. Cutter	do	Branch	Coldwater.
Daniel Hudson	do	Calhoun	Marshall.
Artemas Doane	do	do	Battle Creek.
Lewis W. Fasquelle	do	Clinton	St. John's.
Charles N. Hayden	do	Eaton	Eaton Rapids.
Seneca H. Gage	do	do	Bellevue.
Charles A. Merritt	do	do	Charlotte.
Daniel Clark	do	Genesee	Flint.
John W. Falley	do	Hillsdale	Hillsdale.
Joseph B. Hall	do	Ingham	Lansing.
Enoch M. Winslow	do	do	Stockbridge.
Ira H. Bartholomew	do	do	Lansing.
William B. Thomas	do	Ionia	Ionia.
J. E Smith	do	do	Portland.
Ira C. Backus	do	Jackson	Jackson City.
Homer O. Hitchcock	do	Kalamazoo	Kalamazoo.
Erastus R. Ellis	do	Kent	Grand Rapids.
Arvine Peck	do	do	Lowell.

List of pension surgeons—Continued.

Names.	State.	Counties.	Post office address.
William A. Jackson	Michigan	Lapeer	Lapeer.
E. P. Andrews	do	Lenawee	Adrian.
Syene Hale	do	do	Hudson.
Seth L. Andrews	do	Macomb	Romeo.
Edward Dorsch	do	Monroe	Monroe.
Marshall L. Green	do	Oakland	Pontiac.
Arphax Farnsworth	do	Saginaw	East Saginaw.
Wm. W. Anderson	do	Sanilac	Lexington.
Cyrus M. Stockwell	do	St. Clair	Port Huron.
D. F. Alsdorf	do	Shiawassee	Corunna.
Addison Bassett	do	St. Joseph	Centreville.
Fayette Parsons	do	do	Burr Oak.
S. L. Herrick	do	do	Three Rivers.
John W. Emery	do	Van Buren	Paw-Paw.
John T. Keables	do	do	Decatur.
William Lewitt	do	Washtenaw	Ann Arbor.
David A. Post	do	do	Ypsilanti.
James A. Brown	do	Wayne	Detroit.
William R. McMahan	Minnesota	Blue Earth	Mankato.
E. J. Kingsbury	do	Fillmore	Spring Valley.
Augustine B. Hawley	do	Goodhue	Red Wing.
William A. Penniman	do	Hennepin	Minneapolis.
A. E. Ames	do	do	do.
E. C. Cross	do	Olmstead	Rochester.
Samuel Willey	do	Ramsey	St. Paul.
L. W. Dennison	do	Rice	Faribault.
J. L. Wakefield	do	Scott	Shakopee.
J. V. Wren	do	Stearns	St. Cloud.
Wm. L. Lincoln	do	Wabasha	Wabasha.
William J. Heddens	Missouri	Buchanan	St. Joseph.
Patrick Gilroy	do	Cape Girardeau	Cape Girardeau.
John H. Blue	do	Chariton	Brunswick.
Richard A. Wells	do	Cole	Jefferson City.
Johnston Lykens	do	Jackson	Kansas City.
Thomas J. Montgomery	do	Johnson	Warrensburg.
William P. Boulware	do	Lafayette	Lexington.
P. A. Heitz	do	Marion	Palmyra.
James L. Edwards	do	Pettis	Sedalia.
L. A. Wilson	do	Phelps	Rolla.
William Blair	do	Randolph	Huntsville.
William W. Mosby	do	Ray	Richmond.
James B. Colegrove	do	St. Louis	St. Louis.
Julian Bates	do	do	do.
David B. Nelson	New Hampshire	Belknap	Gilford.
Andrew J. Thompson	do	do	Laconia.
Jeremiah R. Smith	do	Carroll	Wolfborough.
William H. Grant	do	do	Tamworth.
Ebenezer Wilkinson	do	do	Tamworth Village.
George Walton Pierce	do	Cheshire	Winchester.
Thomas B. Kittredge	do	do	Keene.
Jacob E. Stickney	do	Coos	Lancaster.
Ira S. Chase	do	Grafton	Bristol.
Phineas Spalding	do	do	Haverhill.
John A. Dana	do	do	Holderness.
John Clough	do	do	Lebanon.
Jesse A. Sanborn	do	do	Compton.
Charles H. Boynton	do	do	Lisbon.
Cyrus K. Kelley	do	do	Plymouth.
Francis P. Fitch	do	Hillsborough	Amherst.

List of pension surgeons—Continued.

Names.	State.	Counties.	Post office address.
R. B. Carswell	New Hampshire	Hillsborough	East Ware.
William D. Buck	do	do	Manchester.
Daniel F. Frye	do	do	Francestown.
Albert Smith	do	do	Peterborough.
John H. Cutler	do	do	Mason Village.
Evan B. Hammond	do	do	Nashua.
Benjamin S. Warren	do	Merrimack	Concord.
R. P. J Tenny	do	do	Pittsfield.
William G. Perry	do	Rockingham	Exeter.
William Laighton	do	do	Portsmouth.
William Perry	do	do	Exeter.
Abner B. Bennett	do	do	Portsmouth.
James H. Crombie	do	do	Derry.
James H. Wheeler	do	Strafford	Dover.
Samuel G. Jarvis	do	Sullivan	Claremont.
Thomas Sanborn	do	do	Newport.
Zachariah Read	New Jersey	Burlington	Mt. Holly.
Lorenzo F. Fisler	do	Camden	Camden.
Ephraim Holmes	do	Cumberland	Greenwich.
J. Henry Clark	do	Essex	Newark.
Lyndon A. Smith	do	do	do.
Stephen Personett	do	do	Verona.
C. F. Clarke	do	Gloucester	Woodbury.
Charles Cook	do	Hudson	Jersey City.
Charles Hodge, jr	do	Mercer	Trenton.
Azariah D. Newell	do	Middlesex	New Brunswick.
G. A Quimby	do	Morris	Morristown.
Alexander W. Rogers	do	Passaic	Paterson.
Quinton Gibbon	do	Salem	Salem.
John R Stewart	do	Sussex	Newton.
J Q. Stearns	do	Union	Elizabeth.
Philip F. Brakeley	do	Warren	Belvidere.
William S Cottrell	New York	Alleghany	Whitesville.
Horace H. Nye	do	do	Wellsville.
Sylvester D Willard	do	Albany	Albany.
James H Armsby	do	do	do.
John G. Orton	do	Broome	Binghamton.
Oliver T. Bundy	do	do	Deposit.
Charles S. Hurlburt	do	Cattaraugus	Olean.
Thomas J. Williams	do	do	Ellicottville.
Edward Hall	do	Cayuga	Auburn.
H. M. T Smith	do	Chautauque	Dunkirk.
G W. Hazeltine	do	do	Jamestown.
John K. Stanchfield	do	Chemung	Elmira.
Blinn S. Sill	do	Chenango	Bainbridge.
Augustus Willard	do	do	Green.
Thomas J. Bailey	do	do	Norwich.
William N. Coit	do	Clinton	Champlain.
Benjamin J. Mooers	do	do	Plattsburg.
Abijah P. Cook	do	Columbia	Hudson.
H. C. Gazlay	do	Cortland	Homer.
H. N. Buckley	do	Delaware	Delhi.
Alfred Hasbrouck	do	Dutchess	Poughkeepsie.
Horatio N. Loomis	do	Erie	Buffalo.
J. E King	do	do	do.
George B. Page	do	Essex	Crown Point.
William H. Richardson	do	do	Westport.
Theodore Gay	do	Franklin	Malone.
Langdon J. Marvin	do	Fulton	Northampton.

List of pension surgeons—Continued.

Names.	State.	Counties.	Post office address.
William H Johnson	New York	Fulton	Johnstown.
Marcus T. Peake	do	do	Gloversville.
Christopher V. Barnett	do	Green	Windham Centre.
James Jewell	do	do	Catskill.
John Root	do	Genesee	Batavia.
Abram Haun	do	Herkimer	Little Falls.
Edward S. Lansing	do	Jefferson	Watertown.
J. C. Hutchisen	do	Kings	Brooklyn.
Charles Rowland	do	do	do.
H. W. Cansdell	do	do	do.
Alexander R. Gebbie	do	Lewis	Lowville.
H. S. Hendee	do	do	Deer River.
Loren J. Ames	do	Livingston	Mt. Morris.
William B. Alley	do	do	Nunda.
Augustus L. Saunders	do	Madison	Brookfield.
Ira Spencer	do	do	De Ruyter.
V. W. Mason	do	do	Canastota.
Edward Loomis	do	do	Oneida.
P. B. Havens	do	do	Hamilton.
Harvey F. Montgomery	do	Monroe	Rochester.
Morgan Snyder	do	Montgomery	Fort Plain.
Jeremiah Snell	do	do	Fort Jackson.
Israel I. Buckbee	do	do	Fonda.
William M. Chamberlain	do	New York	116 West 34th street, New York city.
James Neil	do	do	Harlem, N. Y. city.
William H. Thomson	do	do	78 West 47th street, New York city.
Edward Bradley	do	do	55 West 24th street, New York city.
J. H. Helmer	do	Niagara	Lockport.
E. A Munger	do	Oneida	Waterville.
Delos A. Crane	do	do	Holland Patent.
Samuel O. Scudder	do	do	Rome.
J. V. Cobb	do	do	do.
Horace B Day	do	do	Utica.
C. B. Coventry	do	do	do.
Robert Frazier	do	do	Camden.
George W. Cook	do	Onondaga	Syracuse.
Theodore Y. Kinne	do	do	do.
John B. Chapin	do	Ontario	Canandaigua.
William P. Townsend	do	Orange	Goshen.
D W. Cooper	do	do	Port Jervis.
Edward E. Lee	do	do	Newburg.
James W. Randall	do	Orleans	Albion.
Charles C. P. Clark	do	Oswego	Oswego.
Horace Lathrop	do	Otsego	Cooperstown.
G. L Halsey	do	do	Unadilla.
Samuel H. Case	do	do	Oneonta.
Addison Ely	do	Putnam	Carmel.
William S. Searle	do	Rensselaer	Troy.
Luther H. Barber	do	do	Poestenkill.
Abram S. Burdett	do	Richmond	Tompkinsville.
T B Smith	do	Rockland	Tappan.
John L. Perry	do	Saratoga	Saratoga Springs.
Livingston Ellwood	do	Schenectady	Schenectady.
Jacob Dockstader	do	Schoharie	Sharon Springs.
David C. White	do	Schuyler	Watkins.
Rufus C. Dunham	do	Seneca	Seneca Falls.

List of pension surgeons—Continued.

Names.	State.	Counties.	Post office address.
Alexis H. Cruttenden	New York	Steuben	Bath.
Frederick R. Wagner	do	do	Addison.
Joshua B. Graves	do	do	Corning.
B. F. Sherman	do	St. Lawrence	Ogdensburg.
G. F. Cole	do	do	Potsdam.
Samuel C. Wait	do	do	Gouverneur.
Henry C. Austin	do	do	Canton.
Richard H. Benjamin	do	Suffolk	Riverhead, L. I.
Lucius H. Allen	do	Tioga	Owego.
Henry B Chase	do	Tompkins	Ithaca.
Sumner Rhodes	do	do	do.
Thomas S. Dawes	do	Ulster	Saugerties.
Abijah Otis	do	do	Ellenville.
William H. Miller	do	Washington	Sandy Hill.
Charles O. T. Gilman	do	do	Salem.
D. B. Dewey	do	do	Whitehall.
M. A. Cushing	do	Warren	Glenn's Falls.
E. W. Howard	do	do	Warrensburg.
Nelson Peck	do	Wayne	Lyons.
Charles A. Dake	do	Wyoming	Warsaw.
George B. Upham	do	Westchester	Yonkers.
Philander Stewart	do	do	Peekskill.
George J. Fisher	do	do	Sing Sing.
Richard K. C. Bardwell	do	Yates	Penn Yan.
Porteus C. Gilbert	do	do	Rushville.
William H. Harper	Ohio	Allen	Lima.
C. M. Godfrey	do	do	Bluffton.
Henry P. Clark	do	Ashland	Ashland.
Stephen H. Farrington	do	Ashtabula	Ashtabula.
William Blackstone	do	Athens	Athens.
W. G. Kishler	do	Auglaize	St. Mary's.
Alexander Hewetson	do	Belmont	St. Clairsville.
Thomas W. Gordon	do	Brown	Georgetown.
Joseph S. McNeely	do	Butler	Hamilton.
Samuel M. Stockon	do	Carroll	Carrollton.
Joseph S. Carter	do	Champaign	Urbana.
Robert Rodgers	do	Clark	Springfield.
H. McCaskie	do	Clermont	Batavia.
A. T. Davis	do	Clinton	Wilmington.
James Robertson	do	Columbiana	Hanoverton.
D. S. Silver	do	do	Wellsville.
Enoch Sapp	do	Coshocton	Coshocton.
N. E. Hackedorn	do	Crawford	Galion.
W. R. S. Clarke	do	do	Bucyrus.
G. C. E. Weber	do	Cuyahoga	Cleveland.
Chauncey D. Griswold	do	do	do.
Curtis Otwell	do	Darke	Greenville.
I. N. Thacker	do	Defiance	Defiance.
Matthias Gerhard	do	Delaware	Delaware.
A. H. Agard	do	Erie	Sandusky.
Philip M. Wagenhalls	do	Fairfield	Lancaster.
Samuel M. Smith	do	Franklin	Columbus.
William Ramsey	do	Fulton	Delta.
George W. Livesay	do	Gallia	Gallipolis.
Lorenzo A. Hamilton	do	Geauga	Chardon.
Leigh McClung	do	Green	Xenia.
Jared Dunbar	do	Guernsey	Cambridge.
Henry M Carver	do	do	Fairview.
Edward Mead	do	Hamilton	Cincinnati.

List of pension surgeons—Continued.

Names.	State.	Counties.	Post office address.
William P. Wilson	Ohio	Hancock	Finley.
P. H. Loring	do	Hardin	Kenton.
J. M. Shoemaker	do	Henry	Napoleon.
G. W. Pullen	do	Hocking	Logan.
James B. Ford	do	Huron	Norwalk.
Ira L. Babcock	do	do	do.
W. D. McGregor	do	Jefferson	Steubenville.
B. W. Pumphrey	do	Knox	Mt. Vernon.
Jonathan Morris	do	Lawrence	Ironton.
L. T. Ballou	do	Licking	Newark.
William D. Scarff	do	Logan	Bellefontaine.
John Strong, jr	do	Loraine	Elyria.
Alexander Steele	do	do	Oberlin.
S. S. Thorn	do	Lucas	Toledo.
William A. Strain	do	Madison	London.
Eli Mygatt	do	Mahoning	Poland.
Robert L. Sweeney	do	Marion	Marion.
J. N. Robinson	do	Medina	Medina.
Samuel Hudson	do	do	do.
James P. Bing	do	Meigs	Pomeroy.
Samuel S. Gray	do	Miami	Piqua.
R. J. Shackelford	do	Troy	Troy.
Adams Jewett	do	Montgomery	Dayton.
A. S. Weatherby	do	Morrow	Cardington.
C. C. Hildreth	do	Muskingum	Zanesville.
Thaddeus A. Reamy	do	do	do.
J. M. C. Moorhead	do	Noble	Caldwell.
Nelson E. Jones	do	Pickaway	Circleville.
Orlando J. Phelps	do	Pike	Piketon.
Charles S. Leonard	do	Portage	Ravenna.
E. Mendenhall	do	Preble	Eaton.
C. B. Stemen	do	Putnam	Kalida.
William Loughridge	do	Richland	Mansfield.
William Waddle	do	Ross	Chillicothe.
Thomas Stilwell	do	Sandusky	Fremont.
William J. McDowell	do	Scioto	Portsmouth.
E. W. Reeme	do	Seneca	Tiffin.
John H. Hair	do	do	Fostoria.
Henry S. Conklin	do	Shelby	Sidney.
Lorenzo M. Whiting	do	Stark	Canton.
William Bowen	do	Summit	Akron.
Thomas McEbright	do	do	do.
William G. Smith	do	Tuscarawas	New Philadelphia.
John W. S. Goudy	do	do	New Comerstown.
E. J. Tichenor	do	Warren	Lebanon.
E. C. Beckwith	do	Washington	Marietta.
George O. Hildreth	do	do	do.
Thomas Smurr	do	Wayne	Wooster.
William C. Morrison	do	Williams	West Unity.
E. D. Peck	do	Wood	Perrysburg.
George W. Sampson	do	Wyandott	McCutchenville.
Henry S. Huber	Pennsylvania	Adams	Gettysburg.
William M. Herron	do	Allegheny	Allegheny City.
George McCook	do	do	Pittsburg.
John E. Shaffer	do	do	Elizabeth.
William J. Mullin	do	Bedford	Schellsburg.
W. H. Watson	do	do	Bedford.
D. Llewellyn Beaver	do	Berks	Reading.
George W. Smith	do	Blair	Hollidaysburg.

List of pension surgeons—Continued.

Names.	State.	Counties.	Post office address.
Charles M. Turner	Pennsylvania	Bradford	Towanda.
Samuel Lovett	do	Bucks	Attleboro'.
Abraham M. Neyman	do	Butler	Butler.
John Lowman	do	Cambria	Johnstown.
B S Gould	do	Cameron	Shippen.
A. C. Smith	do	Carbon	Mauch Chunk.
E. Green	do	Centre	Bellefonte.
William S. Malaney	do	Chester	Westchester.
James Ross	do	Clarion	Clarion.
M. Woods	do	Clearfield	Clearfield.
Wilburn Whitley	do	Crawford	Conneautville.
J. T. Ray	do	do	Meadville.
Alexander Stewart	do	Cumberland	Shippensburg.
Samuel T. Charlton	do	Dauphin	Harrisburg.
Manly Emanuel	do	Delaware	Linwood Station.
Nelson Seymour	do	Erie	Erie.
Dennis D. Loop	do	do	Northeast.
Geo. C. Ewing	do	Fayette	Uniontown.
J. L. Suesserott	do	Franklin	Chambersburg.
W. D. Rogers	do	Green	Jefferson.
C. W. Moore	do	Huntingdon	Coalmont.
John McCulloch	do	do	Huntingdon.
Edmund Snare	do	do	do.
Martin L. Miller	do	Indiana	Blairsville.
W. J. McKnight	do	Jefferson	Brookville.
P. C. Rundis	do	Juniata	Patterson.
Peter S Clinger	do	Lancaster	Conestoga.
Robert D. Wallace	do	Lawrence	New Castle.
W. M. Guilford	do	Lebanon	Lebanon.
George P. Lineaweaver	do	do	North Lebanon.
William J. Romig	do	Lehigh	Allentown.
Henry Roberts	do	Luzerne	Providence.
Horace B. Moody	do	do	Wilkesbarre.
John S. Crawford	do	Lycoming	Williamsport.
Jedediah Darling	do	McKean	Smithport.
C. Byles	do	Mercer	Delaware Grove.
David D. Mahon	do	Mifflin	Newton Hamilton.
A. Reeves Jackson	do	Monroe	Stroudsburg.
William Carson	do	Montgomery	Norristown.
Robert S Simington	do	Montour	Danville.
Edward Swift	do	Northampton	Easton.
James Galbraith	do	Perry	Landisburg.
Benjamin R. Mears	do	Philadelphia	Germantown.
Wilson Jewell	do	do	420 N 6th st. Phila.
J. K Lee	do	do	West Philadelphia.
James Cummiskey	do	do	533 Spruce st. Phila.
James H. Oliver	do	do	Philadelphia.
L S. Filbert	do	do	1822 Green st. Phila.
H Lenox Hodge	do	do	903 Walnut st. Phila.
William M. Cornell	do	do	Philadelphia.
J. G Kochler	do	Schuylkill	Schuylkill Haven.
Peter R. Wagenseller	do	Snyder	Selin's Grove.
Henry Brubaker	do	Somerset	Somerset.
Ezra Patrick	do	Susquehanna	Montrose.
Calvin C. Halsey	do	do	do.
Ira W. Bellows	do	Tioga	Knoxville.
Nelson Packer	do	do	Wellsboro'.
J. M. Dill	do	Venango	Cooperstown.
D. V. Stranahan	do	Warren	Warren C. H.

List of pension surgeons—Continued.

Names.	State.	Counties.	Post office address.
J. W. Blackburn	Pennsylvania	Westmoreland	West Newton.
E. W. Townsend	do	do	Greensburg.
William H. Reed	do	Wayne	Honesdale.
William H. King	do	Washington	Monongahela City.
John R. Wilson	do	do	Washington.
Charles H. Dana	do	Wyoming	Tunkhannock.
William S. Roland	do	York	York.
Theodore C. Dunn	Rhode Island	Newport	Newport.
Charles G. McKnight	do	Providence	Providence.
J. L. Stewart	East Virginia	Alexandria	Alexandria.
William Draine	do	Norfolk	Portsmouth.
James Putney	West Virginia	Kanawha	Kanawha Saline.
James H. Hooff	do	Mason	Point Pleasant.
Joseph A. McLane	do	Monongalia	Morgantown.
John C. Hupp	do	Ohio	Wheeling.
William J. Bates	do	do	do.
R. W. Hazlett	do	do	do.
Thomas Kennedy	do	Taylor	Grafton.
Rezin P. Davis	do	Wood	Parkersburg.
Marcus O. Porter	Vermont	Addison	Middlebury.
Erasmus D. Warner	do	do	New Haven Mills.
Nathan Gale	do	do	Orwell.
Martin J. Love	do	Bennington	Bennington.
George L. Ames	do	do	Manchester.
Selim Newell	do	Caledonia	St. Johnsbury.
Charles S. Cahoon	do	do	Lyndon.
Hiram H Atwater	do	Crittenden	Burlington.
Oscar F. Fassett	do	Franklin	East Berkshire.
H. F. Stevens	do	do	St. Albans.
Horace Powers	do	Lamoille	Morrisville.
Edward F. Upham	do	Orange	West Randolph.
Norman W. Braley	do	do	Chelsea.
John Poole	do	do	Bradford.
E. V. Watkins	do	do	Newbury.
Jonathan F. Skinner	do	Orleans	Barton.
John W. Huntoon	do	do	Derby Line.
Lemuel Richmond	do	do	do.
Cyrus Porter	do	Rutland	Rutland.
Charles L. Allen	do	do	do.
C. M. Rublee	do	Washington	Montpelier.
Samuel Nichols	do	Windham	Bellows Falls.
George F. Gale	do	do	Brattleboro'.
D. W. Hazelton	do	Windsor	Cavendish.
Shubael Converse	do	do	Norwich.
Samuel P. Danforth	do	do	Royalton.
Walter S. Robinson	do	do	Felchville.
William A. Chapin	do	do	Ludlow.
William McCollom	do	do	Woodstock.
S. E. Webster	Wisconsin	Adams	Friendship.
Uriel H. Peak	do	Brown	Fort Howard.
Edmund Bishop	do	Columbia	Portage City.
Robert W. Earle	do	do	Columbus.
B. D. Eastman	do	Crawford	Prairie du Chien.
Joseph Hobbins	do	Dane	Madison.
A. M. Dunton	do	Dodge	Beaver Dam.
William H. Walker	do	Fond du Lac	Fond du Lac.
John D. Wood	do	Grant	Platteville.
J. H. Hyde	do	do	Lancaster
J. M. Ball	do	Green	Monroe.

List of pension surgeons—Continued.

Names.	State.	Counties.	Post office address.
Stephen G. Lombard	Wisconsin	Green	Monroe.
George W. Burrall	do	Iowa	Dodgeville.
John H. Vivian	do	do	Mineral Point.
W. W. Reed	do	Jefferson	Jefferson.
John Gridley	do	Kenosha	Kenosha.
Dugald D. Cameron	do	La Crosse	La Crosse.
D T. Abell	do	Lafayette	Darlington.
J. E Thayer	do	Marathon	Warsaw.
N. Monroe Dodson	do	Marquette	Berlin.
James Diefendorf	do	Milwaukee	Milwaukee.
Jesse Bennett	do	Monroe	Sparta.
Sidney L. Fuller	do	Outagamie	Appleton.
William F. Fisher	do	Ozaukee	Ozaukee.
John T. Scholl	do	do	do.
John Phillips	do	Portage	Stevens's Point.
Philo R. Hoy	do	Racine	Racine.
Daniel L. Downs	do	Richland	Richland Centre.
Lyman J. Barrows	do	Rock	Janesville.
H. G. Lachmund	do	Sauk	Sauk.
Lewis Bock	do	Sheboygan	Sheboygan.
D. D. T. Hamlin	do	Walworth	Elkhorn.
George F. Hunt	do	Washington	West Bend.
George R. Taylor	do	Waupaca	Waupaca.
A. P. Barber	do	Winnebago	Oshkosh.
G. F. Witter	do	Wood	Grand Rapids.
William S. Latta	Nebraska Terr'y.	Cass	Rock Bluffs.
G. C. Monell	do	Douglas	Omaha.
John F. Neil	do	Nemaha	Peru.
Henry O. Hanna	do	Richardson	Falls City.

PENSION NOTARIES.

The pension act of July 4, 1864, requiring that the declarations of claimants shall be made before some officer of a court of record, with an exception in favor of localities more than twenty-five miles distant from any such court, justices of the peace, notaries public, or other officers, already duly authorized to administer oaths, under the laws of their own States, will be designated, for the places thus excepted, as convenience may seem to require, on satisfactory evidence as to the integrity and fitness of the persons proposed for such positions.

HOMES FOR DISABLED SOLDIERS AND SEAMEN.

The subject of providing asylums for disabled soldiers and seamen has justly received considerable attention from individuals solicitous in regard to the future welfare of this class of our citizens, now increasing in every community. The government had, in fact, acted in this matter, before the commencement of the present war, by establishing the Soldiers' Home, near this city, with accommodations which are, perhaps, adequate for the numbers then to be provided for, and the Naval Asylum, for the benefit of certain disabled seamen, at Philadelphia. More recently, movements towards the founding of State institutions, similar in purpose, for disabled volunteers, have been made in some of the States. This question has an immediate interest in connexion with the pension system, although not properly one of its parts. In some European countries, hospitals or homes for invalids—in regard to which complete information is still wanting—appear to have received more thorough consideration than military and naval pension systems, or to have substantially superseded the latter.

A State institution of this kind has been provided for in Massachusetts, and preliminary steps to the same end have been taken in New Jersey and perhaps other States. For beneficiaries who are totally disqualified for performing any remunerative labor, an honorable retreat of this sort, rightly adapted to the ends proposed, will have its manifest advantages. By paying into a common fund the pensions due to the inmates, the amount thus obtained, if economically administered, would go far towards defraying the necessary expenses of food and clothing. The usefulness of any institution of this kind, however, must so largely depend upon the details of its organization and management—upon the location, surroundings, recreations, and objects of attention proposed—that anything less than a well-matured scheme, devised and superintended by minds fully qualified for the task, and duly informed by social study, cannot be hoped to succeed. That there will be thousands of utterly disabled men, at the close of the war, for whom their country is morally bound to make some further provision, must be granted. Whether this may most fitly be accomplished by an enlargement of the systems under which the Soldier's Home and Naval Asylum have been organized, or by the action of local governments, or by private associated benevolence, may well be carefully weighed by those who have such an undertaking at heart.

PENSION FUNDS.

The navy pension fund, arising from the proceeds of prizes captured at sea, amounted on the 1st day of October, as reported, to $6,055,585 80, an increase of more than $4,000,000 during the year preceding that date. This sum, invested at six per cent., will give an annual income of $363,335 14. The total annual rate of the navy pensions of all classes, at the close of the fiscal year, was only $179,191 10.

Whether there might not be some similar appropriation of a certain proportion of the moneys accruing from the sales of abandoned or confiscated property,

or land, for the creation of an army pension fund that would partially meet the heavy annual demand for the payment of army pensions, seems to me worthy of consideration.

SUSPENDED PENSION AGENCIES.

On the breaking out of the rebellion, the payment of pensions was suspended at the several agencies for the States of Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas, and Virginia, (except the Wheeling agency.) With the progress of the war, military resistance to the government has been substantially suppressed in a large portion of the area embraced within these States, and especially in Tennessee, Louisiana, Arkansas, Florida, and western Mississippi. The agency at Wheeling has been so extended as to include in one disbursing district all of the State of West Virginia; and Norfolk, at which place there was a navy pension agency, is now occupied by the government, as well as much of the other territory of eastern Virginia. Huntsville, in northern Alabama, formerly the seat of another agency, has also been, during a considerable period, within the lines of our armies. Tens of thousands of Union soldiers have enlisted from these reclaimed regions, of whom many have died or become disabled in the service, and on whose account numerous pension claims are presented. These claims should be adjusted, but no means have yet been provided for their payment within the States in which the applicants have their proper residences.

Under these circumstances, it is recommended that all the names heretofore enrolled at the several agencies in question be dropped, and that pension agents be appointed in the reclaimed districts, so far as practicable, for the benefit of new pensioners. It is further suggested, that former pensioners, thus dropped from the roll, should not be restored, except upon definite proof, satisfactory to the local military authorities and to this department, that they have continued at all times loyal, and also on a proper re-examination of their claims. The points deemed most appropriate for the location of such agencies are: New Orleans, Louisiana; Nashville, Knoxville, and Memphis, Tennessee; Huntsville, Alabama; Vicksburg, Mississippi; Jacksonville, Florida; Little Rock, Arkansas; and Norfolk, Virginia. In several of these localities there would seem to be no serious obstacle to organizing the proposed agencies at once. Should the State of Texas be embraced within the disbursing agency at New Orleans, as formerly, there would remain, after establishing agencies as above suggested, only the three insurrectionary States of North Carolina, South Carolina, and Georgia, in which the operation of the pension system would not have been at least partially restored.

I am happy to be able to state, in conclusion, that the business of this office, though so greatly increased in amount during the last year, with only a comparatively slight addition to the number of clerks employed, has been despatched with a reasonable degree of promptitude, and is now in a satisfactory condition. This has been largely due to the faithful and assiduous efforts of clerks to bring up the work at their desks, so as to meet the reasonable expectations of claimants. It is my conviction that, with the present cost of living, the compensation for these services has been inadequate. Permit me, therefore, to urge that you will commend to the consideration of the proper authorities a material increase of the salaries of these officers. Any addition to the number of clerks now authorized to be employed in this office will not at present be required.

I have the honor to be, very respectfully, yours,

JOSEPH H. BARRETT,
Commissioner.

Hon. J. P. USHER,
Secretary of the Interior.

A.—*Statement of the number and yearly amount of original applications and for increase of army pensions admitted in each State and Territory for the year ending June 30, 1864.*

States.	Invalid.				Revolutionary soldiers. March 18, 1818; May 15, 1828; June 7, 1832.		Revolutionary widows. Second section February 3, 1853.				Widows, mothers, children, and sisters. First section July 4, 1836; July 21, 1848; first section February 3, 1853; June 3, 1858; July 14, 1862.			
	Original.		Increase.		Increase.		Original.		Increase.		Original.		Increase.	
	No.	Yearly am't.	No.	Yearly am't.	No.	Yearly am't.	No.	Yearly am't.	No.	Yearly am't.	No.	Yearly am't.	No.	Yearly am't.
Connecticut	304	$21,977 00									567	$58,276 00		
California	4	288 00									2	720 00		
District of Columbia	197	15,861 60	5	$118 40							46	5,508 00		
Delaware	37	2,660 00									43	4,416 00		
Indiana	1,693	76,524 00	15	536 00			2	$192 00			1,638	170,470 00	2	$12 00
Illinois	1,446	103,374 80	19	638 00							2,657	282,466 00		
Iowa	594	41,825 00	4	96 00							1,453	149,844 00		
Kentucky	198	13,706 00	2	48 00			1	80 00			496	51,366 00		
Kansas	86	5,932 00									95	10,032 00		
Maine	643	48,530 60	11	264 00	2	$200 00	1	96 00			710	73,948 00		
Massachusetts	1,685	118,010 00	27	928 00	1	100 00	1	96 00			1,859	195,168 00		
Maryland	97	7,199 00	1	72 00							135	14,442 00		
Missouri	238	15,426 00			1	100 00					542	57,090 00	1	6 00
Michigan	813	58,941 00	9	240 00			1	80 00			1,129	117,948 00	1	6 00
Minnesota	120	7,372 00	1	48 00							64	6,720 00		
New Hampshire	512	37,455 76	4	88 00							774	79,040 00		
New York	2,561	193,156 40	30	1,080 00	7	604 00	3	308 21	1	$4 00	2,799	299,286 00		
New Jersey	447	33,405 84	6	152 00							637	65,496 00		
Nebraska	2	168 00									7	672 00		
Ohio	1,650	126,958 00	20	568 00							2,546	266,550 00		
Oregon	3	128 00												
Pennsylvania	2,722	201,269 60	27	931 20							2,322	252,408 00		
Rhode Island	114	6,816 00	1	24 00							210	21,204 00		
Tennessee	2	136 00												
Vermont	536	38,880 00	7	240 00	1	100 00	1	80 00			423	41,586 00	1	6 00
West Virginia	131	9,883 00									310	31,200 00		
Wisconsin	534	38,529 20	3	72 00							744	77,376 00		
Washington Territory	1	48 00												
	16,770	1,224,340 20	192	6,143 60			10	932 21	1	4 00	22,198	2,333,232 00	5	30 00
Increased cases	192	6,143 60					1	4 00			5	30 00		
	16,962	1,230,483 80			12	1,104 00	11	936 21			22,203	2,333,252 00		

REPORT OF THE COMMISSIONER OF PUBLIC BUILDINGS.

OFFICE OF THE COMMISSIONER OF PUBLIC BUILDINGS,
Capitol of the United States, Washington, November 8, 1864.

SIR: In conformity with the requirement of the 15th section of the act of Congress of August 4, 1854, "making appropriations for the civil and diplomatic expenses of the government for the year ending June 30, 1855, and for other purposes," I have the honor to submit the following report:

THE CAPITOL.

This building and the President's house are peculiarly under the supervision and control of the Commissioner of Public Buildings. His office is in the Capitol, and a day seldom passess that he does not inspect, personally, more or less of the public buildings. It is impossible, while the work on the extension and new dome is progressing, to keep up that cleanliness and neatness about the building that is desirable, but the best is done that the nature of the case admits of, and it is, I believe, generally admitted that the building is at the present time in as good order and repair as it can well be placed with the ordinary appropriations at the command of the Commissioner.

In the course of the past season some very prominent improvements have been made. Congress appropriated $15,000 out of the appropriation for the Capitol extension for constructing a marble floor and making other improvements in the old hall of the House of Representatives. This was a very limited sum for doing the large amount of work required, even when the provision of the act making the appropriation, that "such marble as may now be on hand, and not otherwise required," should be used in tiling, is taken into consideration. The work was, however, commenced in the most economical manner possible, and has gone on, and we expect, by the time Congress assembles, to have the passage way from the main entrance, from the rotundo to the bronze doors at the south side of the hall, finished and closed in with a proper railing. It is hoped that by employing men engaged on the Capitol extension, and using the waste material, that the entire job may be completed for the sum appropriated, but it is very doubtful whether it can be.

A special appropriation of $2,000 was made for cleaning and painting the crypt and passages under the rotundo. Advertisements for proposals were published, and the contract was awarded to the person who made the lowest bid to do the work in accordance with the specification, viz., $1,495. The work has been well and faithfully done according to the contract.

The sum of $5,000 was also appropriated for reconstructing five of the old burnt-out furnaces under the old portion of the Capitol. This work was also done by contract, after advertising for proposals, for $4,825. The contractor performed the work most satisfactorily, and the furnaces are all ready for service.

When the old water-closets of the House of Representatives were removed from the basement of the south wing of the old building several years ago, the naked brick wall was left and presented a most unsightly and dilapidated appearance to the eye, as well as exposing the building itself to injury from the elements. Supposing that Congress would readily make an appropriation for the proper repair of the wall, and having some old stone on hand, a stone mason was employed in 1862 to prepare the stone and face up the wall. The work was admirably done, as may be seen by inspection, at an expense of $1,799 46, and an appropriation asked for to meet the expense. It was not,

however, made, and the Commissioner was compelled to pay for the work out of the current appropriation for the repairs of the Capitol.

The basement of the north wing requires to be repaired in the same manner, and the work will cost, in consequence of the rise in building material and labor, at least $2,500. I have, therefore, asked in my regular estimates for an appropriation of $4,300 to reimburse the sum already paid and to repair the north basement in the same manner.

The sum of $1,500 was appropriated at the last session for painting the iron railing around the Capitol grounds, and as the estimate on which that appropriation was founded contemplated that it should be done with a patent varnish, I caused it to be done in that way. The paint is said, by good judges, to be the best that has ever been invented for iron, and it certainly has the appearance of being all that can be desired, for the fence looks better than I have ever seen it, and much of it has been erected long within my remembrance of the public buildings and enclosures of Washington.

That the eastern and western parks of the Capitol are admirably taken care of by the public gardener, Mr. James Nokes, must be apparent to all, as they never appeared to greater advantage than during the past summer.

Workmen are now engaged in removing the unsightly scaffolding in the centre of the rotundo, the temporary roof will soon be taken away, and the magnificent work of the inner dome, now completed, will be in view from the floor. No work that has ever been done in iron can surpass it, and it will, I have no doubt, be pronounced by all most creditable to the architect who planned it, the iron workers who furnished it and put it up, and all concerned in any way in its erection and finish. It is one of the greatest works of the age.

THE PRESIDENT'S HOUSE.

The President's House, with the exception of the main floor, is in great want of repair. The three thousand dollars appropriated at the last session for repair of the basement was, much of it, expended in anticipation of the appropriation, in order to render the basement tenantable. The large furnace supplying heat for the entire upper portion of the house, through the hot-water pipes, had become so entirely choked with soot and cinders as to be nearly useless, and had to be taken down and rebuilt. Indeed, such has been the dilapidation of the house, the conservatory, and the contiguous out-houses and green-houses, that workmen have been almost constantly employed in repairing them, and there must be a general and thorough renovation to render them at all creditable to the government who owns them, and to make the President and his family comfortable. The Committee on Public Buildings and Grounds of the House of Representatives accompanied me over the entire premises two or three times during the last session, and agreed, unanimously, that no private gentleman would suffer his house and grounds to remain in such a dilapidated condition as was the house appropriated by the United States to their President. A detailed estimate was made for them, amounting to between eleven and twelve thousand dollars, to place it in tolerable condition, and, if I mistake not, the chairman of the committee offered an amendment proposing to appropriate $8,000 for the purpose, which was not agreed to.

I presume, in accordance with the usual custom, a considerable special appropriation will be made to fit up the house at the incoming administration, and I shall not, therefore, ask for any other than the usual appropriation in my estimates.

I will take the liberty to call attention to facts which I have repeatedly alluded to in my correspondence with committees of the House, in relation to depredations upon the fixtures and furniture of the house, which can be avoided in

no other way that I can devise but by having a *day* watchman to accompany all visitors through the public rooms. The rich and expensive curtains have been cut, and large pieces carried away. One entire lace curtain was stolen from one of the East room windows. The handsome and expensive gilded shields which support the curtains have, many of them, been wrenched off and stolen; nearly all the heavy cords and tassels which were used to loop up the curtains of the East room have been stolen. The paper has been torn from the wall of the same room and carried away. Indeed, there appears to be no possible petty depredation that can be made in the absence of watchful eyes that has not been, and I most earnestly recommend that a day watchman be authorized by Congress, whose duty it shall be to prevent such vandalism for the future.

PENNSYLVANIA AVENUE.

All has been done to this great thoroughfare of the city that it was possible to do with the meagre sum of six thousand dollars, expended in the most economical manner. This avenue was paved with ordinary paving stone from the Capitol to Georgetown many years ago. That pavement was much broken up by the constant running over it of omnibuses before the street railroad was laid down, and since that time the constant running of heavy army wagons has completed its demolition in many places. I commenced repairing it at its western terminus—the aqueduct bridge across Rock creek—and have succeeded in placing the worst portions of it in tolerable order, but it will require a very much larger annual appropriation than $6,000 to place it in good repair. I have asked in my regular estimate for $20,000, which is a small sum to do the repairing required.

I have heretofore recommended the removal of the present pavement and the adoption of one of a more permanent nature, say the Belgian, or the Nicholson wood pavement, which is very highly recommended, and would most respectfully again call the attention of Congress to that subject. I have no official estimate at this time, but, from the information I can obtain, I have no doubt that the Nicholson pavement can be laid for forty dollars per square of ten feet. I will correspond with Mr. Nicholson, the inventor, and ascertain the exact cost, and submit an estimate to the committee early in the next session.

THE EASTERN BRANCH BRIDGES.

The bridge across the Eastern Branch, at the navy yard, has become one of the great thoroughfares of Washington. The travel across it is immense, having been greatly increased during the past year by the occupation of Giesboro' Point as a cavalry station and depot by the War Department.

The bridge was found last winter to be in a very dangerous condition. My attention was especially called to it, and I lost no time in addressing to the Committee of Ways and Means of the House a representation of the facts, and an estimate of the expense of placing that structure in good repair, at the same time informing the committee that the necessity of the repairs would compel me to proceed at once with them, in anticipation of the appropriation, to save the bridge from falling. I accordingly proceeded at once to purchase timber, and placing the repairs under the supervision of the bridge-keeper, Mr. John Webster, a practical bridge-builder, and most competent man, the work was commenced and has steadily progressed to this time. Congress appropriated $25,000 for the repairs. The bridge has been put in complete and thorough repair, except the draw. Although the money has been as carefully and economically expended as possible, it has taken the entire sum of $25,000 to do it. The work has been about equal to a rebuilding of the whole structure. The old draw remains as it was. It should be replaced by a new one. With a view to the erection of a new draw, you detailed Colonel Silas Seymour, engineer of the Washington aqueduct, to examine the old draw, and furnish the drawings for and an estimate of the expense of a

a new draw. This he did, his plan being for a very elaborate and expensive draw, such an one as would be admirable for the Potomac bridge, but is, in my opinion, unnecessary for the one in question, where the draw is not opened more than two or three times a year. The draw estimated for by him is to cost, at the lowest, $11,000. I submitted his plan and estimates to you on the 16th of September last, and they are now in your department. At the time I wrote you I supposed that the $25,000 would be sufficient to repair the bridge and erect a cheap draw that would answer all the purposes needed. I now find that an appropriation of about one thousand dollars will be necessary to make the new draw, as new piles will be necessary for its foundation, and I have estimated for that sum.

The upper bridge, known as Benning's bridge, needed considerable repairs, which have been made from the ordinary current appropriation, and it is now in good condition.

PAUPER PATIENTS.

The appropriation for the care and medical treatment of pauper patients has as in former years, been a great blessing to many. In accordance with the provision of the act making the appropriation, I selected the Providence hospital in February, 1864, in lieu of the Douglas hospital, as the place where the patients were to be treated, and entered into a contract with that institution by which they are bound to receive all that I may send, up to the average number of forty, at all times, and when they have spare beds they agree that forty-five may be in the hospital at one time. The number has been full during the year, and I have been under the necessity of declining to send many who have applied, and were undoubtedly proper objects of the charity, had there been room for them in the hospital.

From September 1, 1863, to September 1, 1864, three hundred and forty-two patients received the benefit of the appropriation.

SEWER THROUGH THE BOTANIC GARDEN.

At the last session of Congress an appropriation of ten thousand one hundred and fifty dollars was made "to change Tiber creek, where it runs through the botanic garden, into a sewer."

The work was commenced at as early a day as possible, but it was at once apparent that the sum appropriated was by no means sufficient to complete the improvement contemplated. At your suggestion, Colonel Silas Seymour, engineer in charge of the Washington aqueduct, was requested to make a survey of and estimate for the completion of the improvement, which he did, and his drawings and estimate accompanies my regular estimates. The estimate amounts to $30,655 46. Thus it will be seen that the sum already appropriated will complete about one-third of the contemplated work, which is now progressing satisfactorily.

PRESIDENT'S STABLE.

On the 12th day of February, 1864, the stable at the President's was destroyed by fire, and an act of Congress was the next day passed, appropriating twelve thousand dollars, "to enable the Commissioner of Public Buildings to cause the stable at the President's to be rebuilt forthwith."

The estimate for this appropriation was made under the supposition, that the stable would be rebuilt on the old site, and that a portion of the old structure which was uninjured would not require to be rebuilt. But upon consultation with the President, and with many others interested in the rebuilding, it was determined to erect the new building on the southwest corner of the President's garden, where it would be equally as convenient for use, and not be an un-

sightly obstruction between the President's House and Pennsylvania avenue, as the old stable was.

This determination, and an enlargement of the building to render it more convenient, and far more safe from the risk of fire, much increased the cost of its erection, and Mr. Walter, the architect of the Capitol, on being consulted, said that it would be impossible to build it properly without exceeding the appropriation. All possible economy was used, and the building was completed in a most admirable manner. It was found, however, that the expense exceeded the appropriation six hundred dollars. This was in consequence of the enormous advance on building material between the time of the burning of the old stable and the finishing of the new one. I have asked in my estimates for an appropriation to meet this deficiency.

ACT OF MAY 5, 1864.

The 3d section of the act of Congress approved May 5, 1864, (Statutes at Large, vol. 13, p. 68,) entitled "An act to amend 'An act to incorporate the inhabitants of the city of Washington,'" is in the following words:

"SEC. 3. *And be it further enacted*, That in all cases in which the streets, avenues, or alleys of the said city pass through or by any of the property of the United States, the Commissioner of the Public Buildings shall pay to the duly authorized officer of the corporation the just proportion of the expense incurred in improving such avenue, street, or alley, which the said property bears to the whole cost thereof, to be ascertained in the same manner as the same is apportioned among the individual proprietors of the property improved thereby."

I have already been called upon by the city authorities and by your department to pay the government proportion for improvements coming within the purview of the section above quoted, but there being no money appropriated to meet such payments, I had to decline paying.

It is impossible to estimate how much may be required to meet the demands under that law; I have asked in my estimates for an appropriation of five thousand dollars.

NUISANCE FUND.

On the 3d of March, 1863, Statutes at Large, vol. 12, p. 746, an appropriation of five thousand dollars was made by Congress "for making improvements provided for in the 13th section of the city charter, per act of May 17, 1848."

This sum was for the removal of nuisances, and has all been expended for that purpose. It is necessary that a like sum should be appropriated for a like purpose, as, in the present state of the city, nuisances are continually existing that cannot be removed in any other way than through an appropriation, contemplated by the law of May 26, 1824, Laws of the United States, vol. 4, p. 77, which is referred to in the law of May 17, 1848, Laws, vol. 9, p. 229. I have, therefore, in my regular estimates, asked for an appropriation for the improvements referred to.

THE STREETS AND AVENUES OF THE CITY.

There is not, perhaps, in this Union a city the streets and avenues of which are in so bad a condition as those of the city of Washington. During the wet weather of the winter many of the streets are more like quagmires than streets, and it is next to impossible to pass along them with carriages, and in the dry weather of summer the holes left where the water and mud stood in the winter

are such as to render driving over them at a faster pace than a walk dangerous. The injury to the streets thus prominent is mainly caused by the constant use of them by army wagons, which I have seen moving along them in long trains, heavily laden, *each wagon having one wheel locked*, so as to drag through the mud and along the pavements, and doing more injury in a single hour than the ordinary travel would do in years!

This is, undoubtedly, a necessity, but it certainly presents a very strong reason why the United States should do something towards repairing these dilapidated streets. The city has been doing much at a very great expense.

Virginia avenue never has been properly opened and improved, and is in a very bad condition. It has become a great thoroughfare for the travel between the west part of the city and Giesboro', and presents a very strong case for the aid of government in its improvement.

Much has been said, not only in the public press but among our citizens, in relation to the improvement of our streets and avenues, and elaborate bills have been prepared by some of our most reliable and respectable citizens for the consideration of Congress; but, thus far, nothing material has been done.

I have considered it my duty to thus call attention to this important subject, and leave it for such action as Congress may think it expedient to take.

The joint resolution of Congress, passed June 30, 1864, "authorizing the Secretary of the Interior to reclaim and preserve certain property of the United States," submitted to this office by the honorable Secretary for a report, is now under consideration by me. I have visited, personally, the various localities where public streets, avenues, squares, and reservations are occupied by private individuals, and am preparing a special report on that subject, which I hope soon to be able to submit.

I may briefly say, the conclusions already arrived at are, that the United States has, at this moment, the fee simple to all the public streets, avenues, and public reservations as laid down on the original map of the city approved by President Washington, and the power to control them rests exclusively in Congress.

FRANKLIN SQUARE.

An appropriation was made at the last session to enclose Franklin square with a wooden fence, and to grade the same and plant it with shrubbery. The square has been enclosed in conformity with the law, and will be graded and planted as soon as possible. It is a beautiful square, and one which could, with a small annual appropriation, be made one of the most beautiful enclosures in the city.

STREET RAILROAD.

In my last annual report I called the attention of Congress to that part of the street railroad that passes through the Capital square, in the following language: "I desire to call attention particularly to one change which I think will be vastly for the better, and most desirable to all concerned. The track of the street railroad now runs through the enclosure directly on the east front of the Capitol. It is there because the law requires it. The official order of the controlling officers of the Capitol is that the gates of the Capitol square shall be locked at 10 o'clock p. m. The cars run without reference to hours, and sometimes after midnight, so that the gates north and south must be left open to suit their convenience, or they must stop running at 10 p. m. ' Besides the having a track through the grounds so near the building, with its concomitant buildings, attendants, &c., after the completion of the Capitol will be not only a disfigurement, but a constant source of annoyance. The cars, when

at the corner of A street north and Delaware avenue, are as near the Capitol as they are in the centre of its front, where they now stop to discharge and receive passengers, so that persons visiting the Capitol could enter the north wing as readily from the former point as they now can the centre of the building from the latter. I believe that senators now enter and leave the cars at the former point. I therefore respectfully suggest, after consulting with the president and others of the railroad company, that the law be so amended as to permit the company to run their track along north A street to First street east, and along First street east to Pennsylvania avenue." The subject was considered by Congress, and the House of Representatives passed a bill making the change suggested, but the Senate did not concur.

If the track is to be continued through the grounds, as it now runs, I see no way of remedying the inconvenience now experienced, in consequence of the common occupancy of the grounds, at all hours of the day and night, by the United States and the railroad company, but by the erecting of an iron fence on each side of the track, with proper openings in front of the Senate and House entrances, to be closed with gates, thus leaving the railroad track to be controlled exclusively by the company, and the grounds exclusively under the control of the government.

EXTENSION OF THE CAPITOL GROUNDS.

On this subject I can add but little to the arguments I have used in my former reports, to which reference is respectfully made. It can only be said that, as the years roll on and the Capitol extension approaches its completion, the absolute necessity of enlarging the grounds, north and south, becomes more and more apparent. To the eye of one having any appreciation of the beautiful in architecture or the fitness of things, it is certainly anything but pleasant to see the beautiful north and south façades perched up on unseemly banks of rough earth, and approached by an unseemly flight of wooden steps that would be pronounced inappropriate to the most humble private dwelling!

THE WASHINGTON CANAL.

In my report of 1861 I called the attention of Congress to the Washington canal in the following language:

"The Washington canal, constructed at so great an expense, and which was, at the time it was made, regarded as one of the greatest possible improvements to the city of Washington, is now nothing more nor less than a public nuisance. It is the grand receptacle of nearly all the filth of the city. The waste from all the public buildings, the hotels, and very many private residences, is drained into it. It is now in many places filled with accumulations from such sources, so as to present beds of rank vegetation and offensive soil above the level of the water. Unless something be done to clear away this immense mass of fetid and corrupt matter, the good citizens of Washington must, during some hot season, find themselves visited by a pestilence! I regard the abatement of this nuisance of more importance, in a sanitary point of view, than almost any other improvement in the whole city. The health of the entire population and the lives of thousands depend upon it. The question is, 'What can be done?'"

I went on in that report to suggest plans of improvement, but since then many plans have been suggested, and some of them, as I know, have been presented to Congress, but nothing tending to the abatement of the nuisance has been done. I again call the attention of Congress to the subject, and take the liberty of making the following extract from the report of the able and indefatigable Secretary of the Smithsonian Institution, Professor Joseph Henry, on the subject to the Board of Regents:

"I am sorry to consider it my duty," says the professor, "to refer to the existence of an evil over which, though you have no official control, yet, as legislators and prominent citizens, you may exert a beneficial influence: I allude to the city canal, which forms the boundary of the Smithsonian grounds on the north. The basin or widest part of this canal, across which most of the visitors of the Institution have to pass, has become, since the introduction of the Potomac water, the receptacle of the sewerage of the city, and is now an immense cesspool, constantly emitting noxious effluvia prejudicial to the health and offensive to the senses of all who approach the locality. This nuisance, which will continue to increase with the increasing use of the Potomac water, may perhaps be mitigated by placing a gate at each end of the wider part of the canal, to be closed after high tide and opened occasionally at low water, so as to discharge the contents with a force which would remove, in part at least, the deleterious deposit. But the only effectual remedy, as it appears to me, is to fill up a part of the width of the canal and convert the remainder into a sewer by covering it with an arch of masonry. This sewer may perhaps be cleared out by flood-gates, as before mentioned, or by anchoring flat-boats at the mouths of the drains, to be removed and emptied when filled. But whatever plan may be adopted, the character and prosperity of the city, as well as the interests of the Institution, are involved in a speedy and efficient effort to remove the evil. The small pecuniary benefit which may result from the canal to the city or to individuals ought not to have any weight in the decision of the matter."

When it is apparent *to the eye*, by the constant rising and bursting of bubbles all along the canal, that it is an immense laboratory of mephitic gas, and when it is known as a fact that the prevailing summer winds are from the southwest, and that through their influence this deadly poison is being constantly wafted over the densest population of Washington, we can only thank a merciful and beneficent Providence that our city has thus far escaped pestilence!

CONCLUSION.

I have thus, I believe, brought to the attention of Congress, through you, all the important subjects and matters intrusted to this office. Doubtless, in the course of the ensuing session, other matters will be brought to my especial notice requiring legislation. If so, I shall, as usual, call the attention of the proper committees to them.

With high respect, your obedient servant,

B. B. FRENCH,
Commissioner of Public Buildings.

Hon. J. P. USHER,
Secretary of the Interior.

REPORT OF THE ARCHITECT OF THE CAPITOL EXTENSION.

ARCHITECT'S OFFICE, UNITED STATES CAPITOL,
Washington, D. C., November 1, 1864.

SIR: I have the honor to lay before you the following report on the state of the public works under my charge, and their progress during the past year.

CAPITOL EXTENSION.

Marble work.—The eastern portico of the north wing is entirely finished, and presents a specimen of exterior marble work which has probably never been excelled. The shafts of the columns are all monoliths, the bases and the pedestals are each wrought out of a single block, and the capitals are executed in two courses, with the foliage sculptured out of the solid. The architrave over each inter-columniation is likewise monolithic, and the ceilings are entirely composed of massy blocks of marble, deeply pannelled, and richly ornamented. The steps and carriage-ways which form the entrance to this wing are completed, except the caps of the cheek blocks, (these pieces are very large and difficult to quarry, as well as to transport.) No other part of the construction is, however, depending upon them; they have, therefore, not been urged forward to the disadvantage of other portions of the work. Several of these blocks have been quarried, and are now on their way to the Capitol. One has been received, and wrought, and is now in place.

The eastern portico of the south wing has been very much retarded by the want of certain blocks of marble which were necessary to render available the work already prepared for the building. The most of the material required for this portico has been delivered and wrought; and, had it not been for the delay occasioned by the want of the blocks alluded to, there would have been no difficulty in completing this portion of the work during the present season. It is claimed, however, by the contractors that this delay was unavoidable, and that no means within their control could have prevented it. In addition to the difficulty of obtaining men to work in the quarries, it was found to be impossible to procure vessels, even at fabulous prices, to convey the stone from Bridgeport to Washington. It is proper for me, in this connexion, to say that I have not, during the entire season, spared any efforts to urge on the delivery of the required material; and, while I regret the delay that has been occasioned by the failure of the contractors to fill our orders in time, I am of the opinion that they have done everything in their power to comply with our requirements: their failure to do so is to be attributed to causes over which they could have no control. All the monolithic shafts for the columns of this portico, being twenty-two in number, are delivered and wrought, and sixteen of them are set in the building; the capitals and bases are also completed, leaving nothing unfinished pertaining to the columns but six of the pedestals, and these are now on their way to Washington. Nearly all of the superstructure is wrought, and a considerable portion of it has been set. Should the winter prove favorable for work, and no further delays occur, this portico will be finished by the first of March next. The steps and platforms are completed as far as they can be until the apparatus by which the columns are hoisted can be removed. The cheek blocks are finished, with the exception of their cappings.

The north, south, and west porticoes remain as they were at the date of my last annual report, it having been found to be impracticable to obtain the marble necessary for their prosecution, without further retarding the work on the eastern front. Five of the monolithic shafts for these porticoes have been delivered, and one has been wrought, leaving thirty-five yet to be furnished. A large portion of the superstructure has also been delivered and wrought, includ-

ing the entire balustrade; several of the capitals of the columns are in progress, and the bases are nearly all delivered. The construction of these porticoes will be rapid, as they consist of single ranges of columns, having no pediments, nor elaborate flights of steps like those on the eastern front; the substructures upon which they rest are already completed, so that nothing remains to be executed except the columns and entablature. The wrought material for these porticoes is in such a state of forwardness as to render the rate of delivery of the monolithic shafts and the pedestals the only limit to their progress.

The contractors for furnishing marble have delivered, from the quarries at Lee, Massachusetts, since the date of my last annual report, 23,815 cubic feet, for which they have been paid the sum of $36,560 72; they have also delivered from the quarries of Baltimore county, Maryland, nineteen monolithic column shafts for the exterior porticoes, for which they have received the sum of $26,600.

The marble which yet remains to be furnished to complete the work, in addition to what is now on the ground, consists of 366 blocks, containing in the aggregate 25,168 cubic feet. Also thirty-five monolithic shafts for the exterior porticoes.

The marble received and approved from the quarries at Lee, Massachusetts, for the exterior of the buildings, from the commencement of the work to the present date, amounts to 491,570 cubic feet, for which the contractors have been paid the aggregate sum of $865,043 41. They have also delivered sixty-five monolithic column shafts from the quarries in Baltimore county, Maryland, for which they have received $91,000.

There have also been delivered for the interior of the building, since the commencement of the work, 57,523 cubic feet of white and fancy marbles, the aggregate cost of which was $199,735 92, making the total cost of all the marble used in the Capitol extension, from the beginning of the work to the present date, $1,155,779 33.

A quantity of refuse and useless materials, including such variegated and fancy marbles as were not required for the work, and which were rapidly deteriorating, were sold at public auction on the 1st of October, by order of the department. The net proceeds of the sale amounted to $12,469 83, which will be deposited in the treasury to the credit of the appropriation for the Capitol extension, as soon as the collections are completed.

The amount paid for cutting and setting marble from October 31, 1863, to October 31, 1864, is $95,853 98, making the total amount paid for this branch of labor, from the commencement of the work to the present time, $1,622,765 77.

Painting.—The walls and ceilings of the halls, passages, and stairways of the principal and attic stories of the south wing have been repaired and painted in flat tints, in the same style of finish as that heretofore executed in the corresponding portions of the north wing.

Permanent screens, with fly doors, have been placed in the passage back of the Speaker's chair, in the south wing, which will reduce the number of doorkeepers, and add to the comfort of the members. These screens are completed, except some portions of the ornamental work, which will remain to be finished after the adjournment of Congress.

Sculpture.—The plaster casts, executed from the designs of the late Thomas Crawford, for the eastern door of the north wing of the Capitol have arrived, and are now being executed in bronze at the foundry in Chicopee, Massachusetts. The design of this door is grand and imposing; and, as a work of art, it is probably unsurpassed in any country. It bears the marks of Mr. Crawford's superior genius, in all its details, as well as in its grouping, and the bold handling of every subject it presents. I consider it by far the best work of that distinguished artist, and I doubt not that as much justice will be done to

it by Mr. Ames, at his foundry at Chicopee, as it would have received at the hands of Mr. Von Miller, at the National Works at Munich, where it was designed originally to have it executed. But let the result be what it may, we will have the satisfaction to know, when it is completed, that it is an American work.

I am strongly impressed with the idea that our public buildings should not be suffered to degenerate into mere museums of foreign art; I am decidedly of the opinion that they ought to constitute a record of the state of the arts in our own country, at the time they were executed, Entertaining these views, I am gratified that the sculptures of the north wing are American, and I respectfully recommend that those of the south wing, none of which are yet under contract, shall not only be confined to artists of our own country, but that one of the conditions of any commission that may hereafter be given shall be, that all the work, both of design and execution, shall be performed in the United States.

Ventilation, &c.—A series of experiments in relation to the present system of warming, ventilating, and lighting the new halls of Congress are now in progress, in the prosecution of which we have the invaluable aid of Professor Henry, of the Smithsonian Institution, and Dr. Charles M. Wetherill, a distinguished chemist and physicist. A report upon the subject will be submitted to the department at as early a day as may be found to be practicable.

CAPITOL GROUNDS.

The time has arrived when it becomes necessary to make some arrangemen for completing the grounds around the Capitol. The new wings approach within seventeen feet of the line of A street, north and south, and the embankments already reach beyond the middle of these streets; it is therefore necessary that they be vacated, and the grounds enlarged north and south.

Many plans have been suggested for the extension of these grounds by the purchase of additional land, and property-holders have complained of being kept in a state of suspense by a want of action on the part of the government. My own opinion is that no additional property is required. The government already owns to B street north and south, from west First street to Delaware avenue on one side, and New Jersey avenue on the other; if, therefore, A street is vacated, and the circle extended to B street north and B street south, ample space will be obtained for all the purposes of beauty and utility required by the Capitol. A map is hereto appended, showing the proposed finish, which, it will be observed, does not acquire the purchase of a single additional foot of land.

I have, from time to time, made plans for various members and committees of Congress for extending the grounds on the east, even down to the Potomac, on the west to Third street, and on the north and south to C street, and even as far as D street. I have never, however, sympathized with any of these schemes for a great enlargement of the space around the Capitol. I am of the opinion that the land already owned by the government, when included within the Capitol enclosure, will be quite as extensive as will comport with the convenience of a building used for legislative purposes, and quite sufficient to give a proper effect to its architecture. The area of the present enclosure is 26 acres, and when enlarged, as here proposed, it will exceed 41 acres.

In order to bring the subject of the improvement of these grounds more directly before you, I respectfully recommend:

First. That the Washington and Georgetown Railroad Company be authorized, by law or otherwise, as the case may be, to remove the track from the Capitol grounds, and to run it along A street north to east First street, and thence to Pennsylvania avenue, as shown on the accompanying map; and fur-

ther, that the corners of Capitol square be rounded, so as to admit of a graceful and easy curve. By this arrangement the Capitol grounds will be preserved intact, and the approach of the cars to the north wing will be as near as it now is by the track traversing the grounds.

Second. That authority be obtained from Congress for grading the streets on the north and south, and for vacating A street on either side as soon as the new streets are prepared for travel.

Third. That the Washington and Georgetown and the Metropolitan Railroad Companies be directed to conform their tracks to the new arrangement, and to locate the same so as to leave as much of the roadway as possible free for other vehicles.

Fourth. That a gradual process of filling up be commenced, north and south, from the Capitol to B street, with the view of continuing the terraces, as indicated on the map.

Fifth. That measures be taken for paving the entire space in front of the Capitol, to the line of the present railroad track, with granite blocks, leaving an enclosed circle for foliage and fountains opposite each connecting corridor.

Sixth. That arrangements be made for enclosing the Capitol grounds with suitable railings, lodges, and gates of entrance.

In order to put these improvements in hand, and carry them on through the ensuing year, it will require a special appropriation of $150,000.

DAYS' WORKMEN.

The cost of labor on the Capitol extension, with its application, during the year ending October 31, 1864, exclusive of work done by contract, has been as follows:

	Days.	Aggregate cost.
Clerks	819	$3,329 42
Draughtsman	212¼	1,145 16
Foreman of marble mill	310	1,257 09
Foreman and time-keeper	182½	704 12
Carpenters	1,150½	3,334 87
Bricklayers	594¼	1,901 78
Plasterers	249	783 87
Coppersmiths	880½	2,538 31
Blacksmiths	521½	1,543 22
Smiths' helpers	719	1,166 68
Finisher	312¾	1,179 29
Engineman	113	337 57
House painters	1,902¾	4,940 22
Ornamental painters	1,119¾	3,919 12
Photographer	42	164 63
Teamsters	3,176	6,127 47
Laborers	4,689½	7,507 57
Watchmen	2,105	4,191 55
Messenger	23½	46 50
Riggers	33½	84 83
Fireman	162	307 42
	19,318	46,510 69

CASH ACCOUNT OF THE CAPITOL EXTENSION.

Amount available October 31, 1863	$33,712 07
Appropriated March 14, 1864	150,000 00
Appropriated July 2, 1864	300,000 00
	483,712 07
Amount expended from October 31, 1863, to October 31, 1864	216,643 59
Leaving on the 31st of October, 1864, an unexpended balance of	267,068 48

No appropriation will be required for the Capitol extension during the ensuing fiscal year.

THE NEW DOME.

At the date of my last annual report preparations were being made for putting the Statue of Freedom in place on the top of the dome. This was accomplished without accident, on the second day of December last. The statue is 19 feet 6 inches in height, and weighs 14,985 pounds. It consists of five sections, the heaviest of which weighs 4,740 pounds. Four of these had been previously raised to their places, and firmly secured to the structure, leaving the fifth section, which embraces the head and shoulders, to constitute the crowning feature, the hoisting and adjusting of which was the occasion of the following special order of the War Department:

HEADQUARTERS DEPARTMENT OF WASHINGTON.
Twenty-second Army Corps, December 1, 1863.

SPECIAL ORDER No. 248.

* * * * * * * *

3. At 12 m., on the 2d instant, the Statue of Freedom which crowns the dome of the national Capitol will be inaugurated. In commemoration of the event, and as an expression due from this department, of respect for the material symbol of the principle upon which our government is based, it is ordered:

First. At the moment at which a flag is displayed from the statue, a national salute of thirty-five guns will be fired from a field battery on Capitol hill.

Second. The last gun from this salute will be answered by a similar salute from Fort Stanton, which will be followed in succession, from right to left, by salutes from Forts Davis, Mahan, Lincoln, Bunker Hill, Totten, De Russy, Reno, Cameron, Corcoran, Albany, and Scott.

4. Brigadier General W. F. Barry will make the necessary arrangements for, and superintend the firing from Capitol hill, Brigadier General G. A. De Russy that from the works south, and Lieutenant Colonel J. A. Hoskin that from those north of the Potomac.

* * * * * * * * *

By command of Major General Augur.

CARROLL H. POTTER, *A. A. G.*

Precisely at 12 m., on the aforesaid 2d day of December, 1863, the crowning feature of the statue was started from the ground in front of the Capitol, by means of the steam hoisting apparatus which had been successfully used for the construction of the entire dome, and in twenty minutes it reached the height of three hundred feet, when it was moved to its place, and firmly attached to the remaining portion of the figure; as soon as it was properly adjusted, the American flag was unfurled over its head, and the national salute was fired, in accordance with the foregoing programme of Major General Augur. The effect was thrilling, and grateful to every loyal heart.

The final completion of the work of the dome has been very much retarded by the want of suitable workmen. The construction is complicated and difficult, requiring great care and skill. The masses of iron to be handled are heavy, and the great height at which the work is executed increases the difficulty of maintaining the proper gangs of workmen. The work has, however, advanced steadily, and without accident, and but a few weeks more will be required to bring it a final completion.

The exterior is entirely finished, except a small portion of the base, which was omitted in the construction to give place to the steam-engine and hoisting apparatus; as soon as these can be dispensed with, they will be removed, and the void will all be filled, the materials for this purpose being all fitted and made ready for their places. All the exterior scaffolding is removed, and the outside painting is finished. The interior ceiling is likewise completed, and its massy and elaborate finish cannot fail to impress the spectator, at least with a conception of the immense labor it has required to produce it. The fact should not be lost sight of that this ceiling, as well as the entire structure, inside and outside, is wholly composed of iron.

The remaining work to be done consists of the construction of the iron stairways leading from the attic story of the centre building to the drum of the peristyle, and the stairs to lead from the spring of the ceiling to the platform of the tholus or lantern. The materials for these stairways are all prepared; it will, therefore, require but a short time to construct them. The apparatus for lighting the dome with gas, and the interior painting, also remain to be completed.

The aggregate weight of iron which has been put in place since the date of my last annual report is 781,271 pounds; and the total quantity which has been delivered for the dome from the beginning of the work to the present date amounts to 8,878,743 pounds. All the castings for the entire work are completed and delivered at the Capitol.

Cash account of the new dome.

Amount available October 31, 1863	$111,341 74
Amount expended from October 31, 1863, to October 31, 1864	53,381 27
Leaving, on the 31st of October, 1864, an unexpended balance of	57,960 47

By an act of Congress approved March 3, 1863, an appropriation of $200,000 was made for "continuing the work on the new dome of the Capitol." This is the last appropriation that was made for the dome; it was founded upon an estimate which accompanied my annual report under date of October 31, 1862, in which I took occasion to remark that this sum would complete the work. Had the prices of labor and materials remained the same as they were at that time, which it should be observed was two years ago, the whole would have been completed within the amount specified. But the great change which has since taken place in the cost of everything pertaining to building will render the balance on hand inadequate to the entire completion of the work. I therefore respectfully suggest that an additional appropriation be made of $50,000.

Although the progress of neither the Capitol extension nor the new dome has been as rapid as I desired, or had reason to expect at the commencement of the season, I am, nevertheless, of the opinion that the amount of work which has been done, and the quantity of materials which have been furnished since my last annual report, form a very creditable aggregate, in view of the difficulties which must unavoidably be encountered in all mechanical pursuits at a time when the country is involved in war. Notwithstanding some of the contractors

have lost heavily by the advance of wages and the increase in the prices of materials, a spirit of patriotism has led them steadily on, regardless of pecuniary sacrifice, and I doubt not that they have done all in their power to fulfil our requirements.

CENTRE BUILDING OF THE CAPITOL.

In order to make a finish of the Capitol, it will be necessary to remove the present wooden cupolas from the centre building, and to reconstruct the entire roof; also to remove the immense stacks of chimneys which now disfigure the work. The finish which it was intended to give to the roof of this part of the Capitol, at the time the design for the extension was adopted, is shown by a wooden model of the entire structure, which was made when the wings were commenced, and is now in this office.

The necessity for this improvement is twofold: first, as a matter of taste; the present unsightly structures, which disfigure the top of the old building, are altogether inconsistent with architectural propriety, and have been added from time to time since the work came out of the hands of its original architects; and, second, the whole of this roof, with all the constructions connected with it, are composed of wood, and are liable at any time to take fire and deface other portions of the work, as was the case with the old Congressional Library.

The whole of the centre building is vaulted, so that if the wooden roofs were removed, and replaced by copper laid upon iron rafters, similar to those of the wings of the Capitol and the Congressional Library, the entire building would be wholly fire-proof.

The old chimneys, before referred to, are a very great defect, and although they may not be vacated, the tops may be removed and so formed as to finish on a level with the balustrade, like those of the wings, without interfering with their draught. A few feet, more or less, in the height of these chimneys, situated as they are, at the base of such a structure as the dome, can have no effect upon their draught; other means than mere elevation must be resorted to in order to render them of any use to the building.

At the present prices of materials and labor, it will require about $200,000 to effect these improvements.

EXTENSION OF THE CENTRE BUILDING.

Now that the new dome and the wings of the Capitol are approaching completion, it must be apparent to every one that the extension of the centre building, on the east, to the line of the new wings, becomes an architectural necessity. I have therefore prepared plans for thus completing the work, in harmony with what has already been done, and will place them in the Capitol for future reference.

I do not suppose, nor would I recommend, that any action be taken by Congress, in reference to such an improvement, until the war is ended and the financial condition of the country becomes settled and prosperous; but, inasmuch as it is my purpose to retire from these works as soon as the dome is finished, I deem it incumbent upon me to leave upon record my views as to their final completion.

PATENT OFFICE BUILDING.

North saloon.—The tiling of this room has been completed, also the plastering. The wood work of the cases has all been prepared and delivered; the sashes are all glazed, and the iron pilasters, stairways, and railings are completed and ready to be put up.

By an act of Congress approved March 3, 1863, an appropriation was made for this work of	$50,000 00
The amount expended to October 31, 1864, is	38,985 47
Leaving on the 31st of October, 1864, an unexpended balance of	11,014 53

An additional appropriation of $15,000 will be required to complete the work.

North front.—By an act of Congress approved July 2, 1864, the sum of $75,000 was appropriated "for finishing the Patent Office building." In view of the lateness of the season, and the strike of the stone-cutters, which took place of the 1st of August, it was deemed advisable not to urge the contractors to a general resumption of the work until the ensuing spring; there has therefore been but little progress made.

The amount appropriated on the 2d day of July, 1864, was	$75,000 00
Since which there has been expended, to October 31, 1864	6,257 71
Leaving an unexpended balance on the 31st of October, 1864, of	68,742 29

No appropriation will therefore be required for this work.

East wing.—The furnaces under this portion of the building, which were in progress of construction at the date of my last annual report, and for which an appropriation of $15,000 was made, have been completed, and were in successful operation during the most of the past winter. The accounts for the same have all been closed.

West wing.—The repairs of the west wing, for which an appropriation of $5,000 was made, have been completed, and the accounts settled.

I have the honor to be, sir, very respectfully, your obedient servant,

THOMAS U. WALTER,

Architect of the United States Capitol Extension, &c.

Hon. J. P. USHER,

Secretary of the Interior.

REPORT

OF

THE SECRETARY OF WAR.

WAR DEPARTMENT,
Washington City, March 1, 1865.

Mr. PRESIDENT: I have the honor herewith to submit the annual reports of the several bureaus of this department. They were designed to accompany my annual report, which, by your permission, has been delayed until the lieutenant general should furnish his summary of the military operations of the past year. His report has not yet been received, as the activity of the campaign in progress demands his unceasing attention. But the accompanying documents are now submitted, in order that, so far as can be done without injury to the service, they may be printed with the public documents of the present session of Congress.

The military events of the past year have been officially published by this department from time to time as they transpired, and are fully known in every branch of this government, and throughout the civilized world. They constitute a series of successful marches, sieges, and battles, attesting the endurance and courage of the soldiers of the United States, and the gallantry and military skill of their commanders, unrivalled in the history of nations.

The campaign of the army of the Potomac, and the operations on the James river, the Appomatox, and around Richmond and Petersburg; the masterly operations of our army in Georgia, resulting in the capture of Atlanta, Savannah, and other important military posts in that State; the reduction of the forts in the harbor of Mobile; the hard-fought battles at Franklin, and around Nashville, resulting in the rout of the rebel army in Tennessee; the succession of brilliant victories won by the army of the Shenandoah; the successful storming of Fort Fisher; the capture of Wilmington, Columbia, and Charleston, and other achievements of less note, all contributing to the triumph of the Union cause and the suppression of the rebellion, will be more appropriately detailed upon the coming in of the report of the lieutenant general.

That the administrative operations of the several bureaus of this department have not failed to contribute to the success of our armies is shown by the official reports of their respective chiefs.

The Adjutant General reports the difficulties springing from a sudden and vast increase of business, measurably overcome in his bureau, clerks instructed,

and work systematized. Credit is justly due to both the officers and clerks for their fidelity.

Despite superior advantages for recruiting volunteers, greater success has been reached in the regular service than was anticipated. There are two depots for collection of recruits for the army at large, one for infantry at Fort Columbus, New York, and one for mounted service at Carlisle, Pennsylvania. There are also fourteen depots for particular regiments established in different sections of the country. Sick and wounded officers have generally been employed on recruiting service, and when recovered they have been sent to replace others in the field who require relief.

Twenty-one depots are established in the principal States for collecting and forwarding to regiments volunteers and substitutes, and also drafted men. The veteran reserve corps has been of much service in guarding these depots and escorting detachments to their regiments. There are also six special depots for recruits enlisted in rebel States by agents from loyal States.

Boards of examination have been kept up to inquire into causes of absence from duty and alleged offences by officers. The effect has been to diminish the number of cases published and referred to the boards to three hundred and sixty four for eleven months; whereas, before their organization, from one hundred to two hundred were reported monthly for absence without leave alone.

The status of chaplains seems to be misunderstood. From the wording of the act of April 9, 1864, section 1, it is thought by some chaplains that a new rank between the grades of major and captain is intended for them. This is supposed to be an error growing out of the use of the term "*surgeon*," in the act, instead of "medical officer." The former assimilated rank of chaplains, in reference to allowance of quarters and pay proper, was "captain," and such should now be their rank.

Over two hundred flags, captured from the rebels, have been received, properly labelled, and deposited for safe-keeping.

Medals of honor have been awarded in numerous instances to privates and non-commissioned officers for gallant services. The plan of awarding gold and silver medals to officers instead of brevets, to a certain extent, is commended to notice. It should not supersede the conferring of brevet, especially in cases where such rank might be exercised in high commands.

The work of preparing official reports of battles, &c., for printing, in compliance with the resolution of Congress of May 19, 1864, is progressing as rapidly as possible, and all officers from whom such reports are due have been called upon for them.

The Paymaster General reports that the entire army is paid to August 31, 1864, or in process of pay as rapidly as the treasury can supply funds.

He calls attention to the defective organization of his bureau, and strongly urges that the Paymaster General have the rank of a brigadier general; that there be two assistant paymaster generals with the rank of colonel, and ten deputy paymaster generals, in addition to the two now provided by law, with the rank of lieutenant colonel. He also recommends the adoption of a pro-

vision of law to the effect that any paymaster or additional paymaster, selected by the Secretary of War to take charge of a geographical pay district, shall have the temporary rank of lieutenant colonel during such charge.

He also reports that the clerical force of his bureau is efficient, and that no increase is believed to be at present required.

The Chief of Ordnance reports that the fiscal affairs of that bureau show a

balance, 1st July, 1864, of	$3, 122, 979 11
Appropriations,	42, 015, 000 00
Miscellaneous receipts	141, 023 01
Total means	45, 279, 002 12
Expenditures during the year	38, 502, 822 99
In treasury and public depositories June 30, 1864	4, 776, 27 91
	45, 279, 002 12

The estimates for the next fiscal year are based on expenditures for a similar period last year, taking into consideration remaining balances and supplies on hand.

The supplies produced during the past fiscal year include 1,750 pieces of ordnance, 2,361 artillery carriages and caissons, 802,525 small-arms, 794,055 sets of accoutrements and harness, 1,674,244 projectiles for cannon, 12,740,146 pounds of bullets and lead, 8,409,400 pounds of gunpowder, 169,490,029 cartridges for small-arms. These are complete articles, in addition to large quantities of the same kind of supplies partially made up at the arsenals.

The ordnance supplies furnished to the military service during the fiscal year include 1,141 pieces of ordnance, 1,896 artillery carriages and caissons, 455,910 small-arms, 502,044 sets of accoutrements and harness, 1,913,753 projectiles for cannon, 7,624,685 pounds of bullets and lead, 464,549 rounds of artillery ammunition, 152,067 sets of horse equipments, 112,087,553 cartridges for small-arms, 7,544,044 pounds of gunpowder. These supplies were in addition to large quantities of parts provided for repairs in the field.

The capacity of the arsenals for the manufacture of munitions of war has been increased during the year, and that increase is still going on, so far as the means appropriated will admit. Supplies manufactured at the arsenals are of better quality and less cost than similar articles obtained by contract or purchase.

The national armory at Springfield, Massachusetts, can turn out three hundred thousand of the best quality of rifle muskets annually.

Possession has been taken of Rock island, Illinois, in pursuance of an act of Congress, and the requisite buildings for an arsenal there are in progress.

There is on hand a stock of three-quarters of a million of first-class rifle small-arms, exclusive of the arms in the hands of the troops, since increased to a million and a quarter.

The introduction of breech-loading arms for the military service generally is recommended.

The selection of a site for a general depository of gunpowder, and the erection of suitable magazines thereon, is recommended. In that connexion, the construction of a government powder-mill, of sufficient capacity to make standard and proof powder and gun-cotton, is also recommended.

The procurement of a suitable ground for the proof and experimental firing of ordnance and small-arms is urgently advised as a most essential want of the military service.

A heavy 20-inch gun has been successfully cast and finished, and is ready for trial. The object of the trial is to demonstrate whether the destructive effects of such a gun, warranted by theory, will be practically realized, and to settle the question of the largest *effective* calibre for sea-coast cannon.

The armies in the field have been amply supplied with good and effective arms, equipment and ammunition, and the armament of our fortifications has been kept in good order, and strengthened, during the year.

The Chief Engineer reports that the operations of his bureau for the last year embrace special efforts to prepare the coast defences to receive the heavier and most suitable artillery for combatting iron-clad vessels, the construction of field-works and lines with the armies in the field; the preparation and service of pontoon bridge equipage, and the reduction of the enemy's works on Morris island, at Fort Morgan and Fort Gaines, by siege operations.

Much information, in campaign maps and other forms, has been prepared and disseminated, the survey of the lakes has been satisfactorily continued, and progress made in the repairs and preservation of harbor works for which appropriations were made at the last session of Congress.

The expenditures of the year, including the maintenance of the Military Academy, amount to $6,345,191 74.

A board of engineers, ordered by the War Department in January, 1864, to examine the system of our sea-coast defences, has performed its duties, recommending the modifications made necessary in them by the introduction of increased calibres and rifle guns, and to enable them to combat effectively iron-clad hostile fleets. Earth as a material for parapets and ramparts is now (as it has been from the earliest employment of battering artillery) found to be the best as well as the most economical resisting mass to oppose to an enemy's fire, both on the land and sea fronts. This material is uniformly adhered to, wherever the locality permits.

Nine officers of engineers, out of a total number of eighty-six, have been lost during the year by death; all of them have given their lives to the service of the country.

During the year twenty-seven cadets completed the course of studies and practice in the Military Academy, and were commissioned in the army. The smallness of this number grows out of the resignations which occurred in this class in the beginning of the rebellion. The classes at this time have the usual strength corresponding to congressional representation.

The Commissary General of Subsistence reports that the supplies of subsistence stores have been mostly purchased in Boston, New York, Philadelphia,

Baltimore, Washington, Cincinnati, Louisville, Chicago, and St. Louis. Beef cattle were furnished by contracts of short duration at most convenient places, and driven from the places of purchase to the field. Most of the stores were purchased by advertising, accepting the lowest bids offered for suitable articles at cash prices. Attempts have in some cases been made by individuals and associations to monopolize and control the prices of articles required by the subsistence bureau, thereby creating much difficulty.

The armies have been supplied with good and wholesome food, and large numbers of prisoners and suffering Union families have been furnished with subsistence. Generally the contractors and others have faithfully complied with their obligations. Officers employed in this branch of the service, with but few exceptions, have performed their duties with promptness in the field and at depots. During the year ending June 30, 1864, 52,482 quarterly or monthly accounts have been examined and referred to the Treasury Department.

The report of the Quartermaster General contains a statement of the operations and expenditures of the bureau under his control during the fiscal year.

The clerical force authorized by law is, in his opinion, still insufficient to make that prompt examination of accounts and reports of disbursing officers desirable, and indeed necessary to secure rigid accountability for the expenditure of the public money and property.

An extension of the increase of compensation granted by the last Congress to clerks of the lower grades, so as to include those of higher grades, is recommended by the Quartermaster General in view of the increased cost of living in Washington.

The Quartermaster General gives an account of the measures adopted under the orders of the Secretary of War for equipping, supplying and moving the large army which, concentrating last November on the banks of the Tennessee, fought under General Grant the battle of Chattanooga and opened the way for the victorious campaign of the army under General Sherman, resulting in the capture of Atlanta, and the operations which are now in progress in the State of Georgia. The vast efforts made, the wonderful resources in men and material developed, the manner in which the steamboat and railroad interests, the agricultural and mechanical products of the valley of the Mississippi, were laid under contribution in feeding, supplying and moving a vast army in an advance of over three hundred miles from its secondary, and four hundred and fifty miles from its primitive base, are described. The record is one creditable to the people who have developed such vast resources and placed them so patriotically at the disposal of the government, and also to the officers, their agents in this great work.

The report gives tables of the quantities of the principal military supplies, fuel, forage, clothing, and materials purchased, transported, and used during the year. It also contains statements of the steamboats employed upon the western rivers and of the steamers and other vessels upon the ocean, engaged in the transportation of troops and supplies.

In this service it is believed many abuses have been reformed and great

economies have been effected during the past year. The indications derived from Congressional examination and reports have been followed up with advantage to the service.

The army has been well supplied with all the essentials of military equipment, and with fuel, forage, and all necessaries.

The losses by capture, and destruction of trains, by the burning of transports by incendiaries employed by the rebels, have been great, but the movements of the armies have seldom been delayed by them.

The most severe losses of material during the year have been the destruction of a portion of the train of the army at Chattanooga in the fall of 1863, and the consequent destruction of animals there, and in East Tennessee, the destruction of steamers on the Mississippi and Ohio by incendiaries; the loss of the trains during the Red River expedition; and to these may be added the destruction of a train of two hundred wagons near Fort Smith, in Arkansas, since the close of the fiscal year.

As the rebel armies are beaten back, they burn all important railroad bridges, tear up the railroad tracks, destroy the water stations, carry off the machinery and rolling stock, and do all that is in their power to render the railroads useless to our armies.

The armies are obliged to follow generally the natural lines of transport and communication, and the lines by which the enemy retires. All the railroads north of the Potomac, and of the Tennessee and Cumberland, and within the territory which our armies have penetrated, have been alternately in the hands of the rebels and of our own troops. When abandoned by the enemy, their immediate reconstruction and operation becomes a military necessity.

Colonel (now Brevet Brigadier General) D. C. McCollum has been placed as military director in charge of this work. He has organized an efficient construction corps, provided rolling stock for which it was necessary to make onerous demands upon the manufacturers of the loyal States. The report of Colonel McCollum is a record of the expenditure of over eleven millions of the appropriations of the quartermaster's department. It gives information upon the means and the cost of supplying an army by railroad, and the manner of repairing and reconstructing railroads in a hostile country, which is of great interest to soldiers and engineers. The results are remarkable triumphs of military and engineering skill, creditable to the system under which they have been accomplished, to the officers and men engaged in the work, and to the country which has displayed such energy and such resources in defending and asserting its integrity. Already a thousand miles of railroad have been operated by this department, in connexion with the movements of the armies.

The mobility of the armies has increased. The opinion held by some officers of rank in the earlier history of the rebellion, that an army could not be maintained except within reach of a navigable river or railroad, has been dispersed by such marches as those of General Sherman, from Vicksburg, east of Meridian, and back to Vicksburg, from Memphis to Knoxville and back to Decatur, at a time when the railroads were not in operation; that of General Burnside, from

Cincinnati and Louisville; through southeast Kentucky, to Knoxville; and that of Lieutenant General Grant from Washington to Petersburg, and the march of General Sherman from Atlanta towards the coast.

The organization of this bureau has been much improved by the law of the 4th of July last. The grades of rank and authority being now in proportion to the duties and responsibilities, the officers work with greater success. The present organization is fully detailed in the report of the Quartermaster General, and no further changes are thought necessary.

The agreement made by the War Department with a convention of railroad companies, held in this city early in the war, has remained in force. The railroads have continued to do the work of the government at the prices then established, except as modified by the internal revenue laws, though below those then charged to private citizens, which have since been considerably increased.

To a few railroads, subject to depredations by the enemy, from their being in districts where the department has not been able to give them entire protection and safety, some advance in rates has been granted.

The telegraph has continued to be a most efficient and valuable aid to military operations. Six thousand five hundred miles of military telegraph has been in operation, of which three thousand miles have been constructed during the year. About one thousand persons have been employed in this work. The efficiency and fidelity of the officers and operatives of the military telegraph deserve special recognition.

Full reports are given of the quantities of clothing, camp and garrison equipage furnished to the armies during the year. No difficulty has been found in procuring ample supplies of good quality from domestic manufacturers, with the exception of tents and blankets. In a portion of these imported materials have been used, as the domestic manufactories have not yet been able to supply all that were needed. Some frauds have been committed, the authors of which it is believed will be brought to justice by measures now in progress. Some have already been convicted and sentenced to the penitentiary.

The vast supplies of forage needed for our armies have been furnished generally with regularity. The difficulty of transporting so bulky an article as hay has caused some irregularity in its supply to armies in hostile districts, and it is remarked, in this connexion, that the armies in actual movement draw less heavily upon the means of the department than those which rest long inactive in districts exhausted of supplies, and therefore drawing every necessary from the distant loyal territory.

The trains of the army are reported to be in good condition, thoroughly organized, movable, perfect in material and equipment, and well supplied with animals and the means of repair.

The purchase of horses for the cavalry was, during the fiscal year, under the direction of a branch of the Quartermaster General's office organized especially for that purpose, in connexion with the cavalry bureau. Since the reorganization of this office under the law of July 4, 1864, the purchase of all horses and mules for cavalry, artillery, and the trains, has been placed under the charge of

a single division of the Quartermaster General's office. It is believed that this has resulted in advantage to the service by securing more direct and speedy responsibility, and a better and more uniform inspection.

The supply of animals has been at the rate of about five hundred per day, which is also the average rate of their destruction. The cavalry of the army of the Potomac was twice remounted during the first eight months of the present year.

The production of the country seems to be able to bear the immense drain upon its horses and mules, and the stock, judging from the current prices, gives no signs of exhaustion or diminution.

The quartermasters' trains of our armies average one wagon to every twenty-four men in the field; and an army in the field, well equipped with artillery, cavalry, and trains, requires one horse or mule, on the average, to every two men. The number of horses and mules is nearly equal.

The ground appropriated for a cemetery near the "Soldiers' Home," in the District, having been filled, a national military cemetery has been established at Arlington, on the south bank of the Potomac, in which several thousand interments have already been made. The names of the soldiers here buried are registered. Those who fell repelling the rebel attack on the capital last July have been buried on the battle field north of Fort Stevens. It is recommended that Congress provide for the erection of a monument to them.

For the better protection of the depots of the quartermaster's bureau from rebel raids, the Quartermaster General was directed to cause the persons employed in his department, at the principal and exposed depots, to be organized into military companies and regiments for internal guard duty and for local defence.

This organization at Washington, Nashville, and Louisville has brought into service, as an aid to the regular troops, a force of several thousand men. They have, both in this District and in Tennessee, been called upon several times during the last year to take the place of regular troops on guard and in the trenches, and have done good service at Washington, Nashville, and Johnsonville, all of which depots have been threatened or attacked by the rebel armies.

The Quartermaster General states that the views expressed in his report of 1862, in regard to the aid to be expected and derived from the colored population, have been confirmed by two years' experience. These persons have been extensively employed in the labors of the Quartermaster General's bureau, where each one so employed released a white soldier from labor, and restores him to his place in line of battle. Their extensive enlistment has created a demand, however, beyond the supply; application being made to the Quartermaster General for such labor with the armies before Richmond, which he was unable to provide, he endeavored to procured colored men from the departments of the Atlantic and Gulf coast, where it was publicly reported that they were suffering for want of employment. None could be obtained from those departments, however. The commander of one of them reported that they were all wanted for labor necessary to the success of military operations, or for other public service, and that not a man, woman, or child could be spared.

The Quartermaster General makes honorable mention of the labors and services of some of the officers of his bureau, who have been engaged in the most important operations, and have most contributed to the general success of our armies.

Reference is made to the danger of interruption of our military communications with the States on the Pacific coast by war, and the difficulty of supplying armies and defending these portions of the republic, when the only military communication not exposed to a hostile fleet is a wagon road across the continent, is mentioned. The early completion of the Pacific railroad is called for as a military precaution, deserving attention, and the fostering care of the government.

It appears from the report of the Surgeon General that the funds derived from all sources, and available for the expenses of the medical department for the fiscal year ending June 30, 1864, were..... $12,263,988 08

Disbursements.....	$11,025,791 33	
Balance remaining in the treasury June 30, 1864.....	914,135 10	
Balance in the hands of disbursing officers.	324,061 65	
		12,263,988 08

One hundred and eighty-two hospitals, with a capacity of eighty-four thousand four hundred and seventy-two beds, were in operation at the date of the last annual report. During the summer campaign it was found necessary to establish additional ones, and increase the capacity of those nearest the scenes of active operations, giving one hundred and ninety hospitals, with a capacity of one hundred and twenty thousand five hundred and twenty-one beds on June 30, 1864. During the year the health of the entire army was better than is usual with troops engaged so constantly on active duty and in arduous campaigns. No destructive epidemics prevailed in any section, and the number of sick and wounded, although large, has been comparatively small in the proportion it bore to the whole army. At the close of the year the number of sick and wounded, both with their commands and in general hospitals, was less than sixteen per cent. of the strength of the army. The number sick with their respective commands was four per cent., and in general hospitals five and three-tenths per cent., of the strength. Of the six and forty-six-hundredths per cent. wounded, nearly one per cent. were with their respective commands; the rest in general hospitals.

The establishment of medical depots within reach of armies in the field, and their prompt supply upon the field of battle; the transportation of sick and wounded by ambulance, railroad, and hospital transports; the sufficiency and successful administration of the best system of general hospitals; the sanitary precautions, as well as all minor details of this department, tending to the greater comfort of the sick and wounded, as well as to the health and efficiency of the troops, have during the year undergone the severest possible test, and in no instance have the movements of successful generals been impeded or delayed from any cause within the control of the medical department.

House bill No. 543, thirty-eighth Congress, having passed the House of Representatives, was not reached in the Senate, and awaits final action. The proposed and well-deserved promotion of meritorious medical officers cannot fail to increase their efficiency, by placing them upon an equal footing with those of other staff corps in regard to local rank, and it is respectfully submitted that the faithful performance of arduous duties by officers of the medical staff should be recognized and rewarded by brevets equally with the other branches of the service.

The Army Medical Museum continues to increase in value, and is already one of the most instructive pathological collections in the world. A descriptive catalogue is in course of preparation, an examination of which will, it is thought, fully establish the importance of this institution in connexion with the surgical and medical history of the war.

From the report of the Provost Marshal General will be seen—

First. The efforts made during the year to perfect the enrolment of the national forces, the lists on the 1st of November last containing the names of 2,784,226 men.

Second. The results of the drafts made in 1863 and 1864, given in tabular form, from which it appears that, on the 31st day of July last, there was no material deficiency in the United States on the quotas of troops required, such localities as were behind having been drafted for the amounts due from them. The draft made under the call of July 18, 1864, was in progress at the date of the Provost Marshal General's report. This draft came on during the heat of the late presidential campaign, and resistance to it was threatened in many places, and in some actually organized. The Provost Marshal General justly claims special credit for the officers acting under him for the firmness and fairness with which they executed the law of Congress and the orders of the government in making this draft, and for the success which attended their efforts.

Third. The results of the volunteer recruiting service, under the different calls for troops dated February 1, March 14, and July 18, 1864, are given. In reference to the re-enlistment of veteran volunteers during the fall of 1863 the Provost Marshal General says: "Over a hundred and thirty-six thousand tried soldiers, who would otherwise, ere this, have been discharged, were secured for three years longer. Organizations which would have been lost to the service were preserved and recruited, and capable and experienced officers were retained in command. The force thus organized and retained has performed an essential part in the great campaign of 1864, and its importance to the country cannot be overestimated."

I concur in the foregoing remarks, and know of no operation connected with the recruitment of the army which has resulted in more advantage to the service than the one referred to

The results of the recruitment under the act of July 4, 1864, for recruiting in rebel States, are reported as unfavorable.

5th. Commutation money received up to November 1, 1864, from drafted men, while permitted by law to secure exemption by payment of $300 each, is appropriated by act of Congress "for the expenses of draft, and for the procura-

tion of substitutes." A large part of it has been used, and the remainder is required for other purposes.

5th. The Provost Marshal General reports activity on the part of his officers in the arrest of deserters and stragglers, 39,392 having been arrested between October 1, 1863, and October 1, 1864. The total number arrested, from the establishment of the bureau to October 1, 1864, being 60,760.

6th. The Provost Marshal General reports the veteran reserve corps as consisting, October 1, 1864, of 764 officers and 28,738 men; its discipline and instruction good; and that the entire corps is doing duty which would otherwise have to be performed by an equal number of able-bodied troops detached from the armies in the field; and that it is yet inadequate in numbers to fill the demands made on it.

7th. The medical statistics of the drafts, presented in a series of tables, are referred to by the Provost Marshal General as worthy of special attention.

8th. The total disbursements on account of enrolment and draft, including all the expenses of the bureau for the year ending October 31, 1864, are given at $4,016,728 55. The amount expended during the year ending September 30, 1864, from the appropriation for collecting, organizing, and drilling volunteers, is given at $4,199,071 17. Amount expended from same fund during preceding year, $7,789,237 40. Amount expended during the year ending September 30, 1864, for pay of advance bounty to volunteers, $14,658,203.

No appropriation of money is asked for any branch of this bureau during the ensuing year.

As will appear from the accompanying report of the Judge Advocate General, the business of this bureau has continued steadily to increase. Its important duties are believed to be faithfully performed, while, as was anticipated, the new organization given to the office by the act of last session is found to have added much to the efficiency of its operations. A digest of the opinions of the Judge Advocate General upon current questions of military law, which has been published and distributed throughout the army, will, while affording valuable instruction to inexperienced officers, contribute to produce that uniformity of decision and action so much to be desired in the administration of military justice.

The general exchange of prisoners effected under the instructions of this department by Lieutenant General Grant is in course of diligent execution, and it is hoped that all of our prisoners who are in the hands of the rebels will soon be returned. A furlough of thirty days is extended to them as they are returned to the camp at Annapolis.

To the chiefs of bureaux and their subordinates the thanks of this department are due for their unwearied industry, vigilance, and general fidelity in the discharge of their respective duties.

EDWIN M. STANTON,
Secretary of War

MARCH 1, 1865.

REPORT OF THE ADJUTANT GENERAL.

WAR DEPARTMENT, ADJUTANT GENERAL'S OFFICE,
Washington, October 31, 1864

SIR: I have the honor to submit the following report of the operations of this department for the past year:

The difficulties springing from a sudden and vast increase of business have been measurably overcome. Under the immediate supervision of seven assistants of the Adjutant General's department the various branches of duty have been systematized; principal and subordinate clerks have been instructed, and the business is now transacted with promptness and efficiency. Great praise is due both the officers and clerks for the fidelity and cheerful alacrity with which they have devoted themselves, without regard to hours, to the public interests.

RECRUITING FOR THE REGULAR ARMY.

The superior advantages offered for recruiting volunteer over regular regiments, in the shorter terms of enlistment and greater local bounties paid, have materially interfered with filling the ranks of the regulars. Nevertheless, by assiduous attention a greater success has been reached than was anticipated. Only two principal depots for the general service are now maintained, one for infantry at Fort Columbus, New York harbor, and one for mounted service at Carlisle, Pennsylvania. At these points the recruits are collected and forwarded to batteries and regiments in the field. Sub-depots, which are also the headquarters of the regiments, are maintained at—

Fort Trumbull, Connecticut, for 3d artillery;
Fort Richmond, New York harbor, for 5th artillery;
Newport barracks, Kentucky, for 2d infantry;
Fort Wood, New York harbor, for 6th infantry;
Fort Columbus, New York harbor, for 8th infantry;
Fort Independence, Boston harbor, for 11th infantry;
Fort Hamilton, New York harbor, for 12th infantry;
Newport barracks, Kentucky, for 13th infantry;
Fort Trumbull, Connecticut, for 14th infantry;
Fort Adams, Rhode Island, for 15th infantry;
Fort Ontario, New York, for 16th infantry;
Fort Preble, Maine, for 17th infantry;
Camp Thomas, Ohio, for 18th infantry;
Fort Wayne, Michigan, for 19th infantry.

The management of all the recruiting service for the regular army is under the immediate superintendence of Brigadier General P. St. G. Cooke, whose headquarters are at New York city. He is assisted by the commanding officers of the several regiments, who are the superintendents for their own regiments. The plan pursued has been to assign a certain district to each regiment within which its own officers are sent out to recruit for it. Officers and enlisted men who are only fit for light duty in consequence of wounds or sickness are usually thus employed, and when restored they are sent to relieve others in the field who require the change. Occasionally, when a whole regiment has become so much reduced in strength as to seriously impair its efficiency, it has been sent home to its depot, and its officers and men detached to open rendezvous to recruit for it. A number of regular recruiting officers have also been employed from time to time in assisting to muster volunteers into the service, besides attending to their own duties.

VOLUNTEER SERVICE.

For the safe-keeping of recruits and drafted men obtained by provost marshals and other recruiting officers, and to facilitate the forwarding of them to regiments in the field, twenty-one depots are established in the principal States at convenient points. They are located as follows:

One at Portland, for the State of Maine;
One at Concord, for the State of New Hampshire;
One at Gallonp's island, Boston, for the State of Massachusetts;
One at New Haven, Connecticut, for the States of Vermont, Rhode Island, and Connecticut;
One at Hart's island, New York harbor, and one at Elmira, New York, for the State of New York;
One at Trenton, for the State of New Jersey;
One at Philadelphia, one at Pittsburg, and one at Carlisle, for the State of Pennsylvania;
One at Baltimore, for the States of Delaware and Maryland;
One at Columbus, for the State of Ohio;
One at Jackson, for the State of Michigan;
One at Indianapolis, for the State of Indiana;
One at Springfield, for the State of Illinois;
One at Madison, for the State of Wisconsin;
One at Davenport, for the State of Iowa;
One at Fort Snelling, for the State of Minnesota;
One at St. Louis, for the State of Missouri;
One at Nashville, for the State of Tennessee;
One at Louisville, for the State of Kentucky.

At these depots the recruits receive such clothing as they may require, and the bounty to which they are entitled. They are also examined a second time by a board of medical officers, which pronounces finally upon their fitness for the army, and if passed they are promptly forwarded to their regiments. Details of officers and enlisted men are made from the several armies, who are employed in guarding the depots, and in escorting detachments to the regiments to which they are assigned. The troops of the veteran reserve corps have also been of great service on this duty.

Under the act of Congress approved February 24, 1864, providing for transfers from the military to the naval service, there have been 3,568 enlisted men forwarded from the several armies and departments to the different naval stations.

In addition to the twenty-one general rendezvous, there are six special rendezvous in the rebel States for the reception of recruits obtained under section 3 of the act of Congress approved July 4, 1864, which are located as follows:

At Camp Casey, near Alexandria, Virginia, for northeast Virginia;
At Fort Monroe, Virginia, for southeast Virginia;
At Newbern, N. C., for the State of North Carolina;
At Hilton Head, S. C., for the States of South Carolina and Florida;
At Vicksburg, Miss., for the State of Mississippi;
At Nashville, Tenn., for the States of Georgia and Alabama.

The benefit resulting from the boards of examination for sick and wounded officers, instituted at Annapolis and Cincinnati, cannot be too highly estimated. Through their means officers who might otherwise have been quite unemployed, because only fit for light duty, have been designated for detail on courts-martial, for service at the rendezvous for volunteers and drafted men, at camps for rebel prisoners, at camps of distribution for convalescents, stragglers, &c., and for recruiting and mustering duty. Thus the armies in the field have been relieved from detachments which otherwise would necessarily have been made from them.

The recommendation of these boards usually determines the action of the department as to discharging sick and wounded officers from the service, or granting them leaves of absence, or returning them to light duty and to their regiments.

The official records of such officers are thus made more accurate, and unjust charges of absence without leave are in consequence frequently removed, while the evil of unauthorized absence has been very much reduced by the regulation requiring all officers absent from duty on account of disability to present themselves at the points where the boards are in session as soon as they are able to travel.

In connexion with these boards, a military commission is in constant session in the city of Washington to decide upon cases of alleged absence without leave and other offences. With something of the formality of court-martial proceedings, this commission examines testimony, both documentary and oral, and receives the explanations of the accused. The names of officers cited before it are published in newspapers, with the warning that they will be subject to summary dismissal if they fail to appear within the specified time. Thus all absent officers are held to a strict account unless they comply with the regulation requiring them to advise the department of their address and authority for absence by periodical reports. The effect of this system is apparent from the fact that, whereas in the course of a single month from 100 to 200 officers were frequently reported absent without leave before its institution, but 364 have been published and referred to the commission, for offences of every kind, from December 1 1863, to October 31, 1864.

CHAPLAINS.

There seems to be some slight amendment necessary in the legislation concerning chaplains, by which the basis of their rank shall be better defined. The act of April 9, 1864, section 1, gives them "rank without command," and provides that they "shall be borne on the field and staff rolls next after the surgeons." From this the inference is drawn, though it is believed erroneously, that chaplains are to hold a *new* intermediate grade below that of major, which is a full surgeon's rank, and above that of captain. It was probably the intention of the act that chaplains should be rescued from the anomalous position they before occupied, being neither commissioned officers nor enlisted men, and should take a position on the official records among the non-combatant commissioned staff; that their place was to be next after the *medical officers*, the term surgeon in the act being used simply in a general sense, and not being intended to attach to it the specific military rank of "major." The amendment suggested, then, is that the chaplain's rank shall be, as it formerly was in reference to pay and allowances, assimilated to that of captain, and that their names shall appear on the rolls and returns next after those of the medical officers.

INCREASE OF PAY FOR OFFICERS' SERVANTS.

By the act of June 20, 1864, the pay of enlisted soldiers was raised from thirteen to sixteen dollars a month. Under a decision of the Second Comptroller of the Treasury, dated July 9, 1864, this increase has been withheld in the item of allowance for private servants from the pay of commissioned officers. The subject having been referred by way of appeal, through the Adjutant General, the following remarks were indorsed, which are here quoted, in the hope that the attention of Congress will be directed to the correction of what is deemed to be an error in the application of the law: "The actual pay of an officer is made up of several items, as pay for himself, subsistence for himself, pay of servants, subsistence of servants, and clothing of servants. Section 12, act of April 24, 1816, allows for each private servant actually kept in service, not exceeding the number authorized by law, 'the pay, rations, and clothing of a private soldier

or money in lieu thereof.' Section 1, of the act of February 21, 1857, fixes the cost of rations at thirty cents. The order of the Secretary of War, of June, 1827, fixes the monthly commutation for clothing allowance at $2 50. These items vary from month to month in actual cost, and it is, therefore, necessary to have a fixed rate of commutation. Not so the rate of pay. Whenever the pay of a private soldier has been increased, this item of the officer's pay has been in like manner increased. The only exception is made by the act of July 17, 1862, section 4, as follows: 'That the first section of the act approved August 6, 1861, entitled an act to increase the pay of the privates in the regular army and in the volunteers in the service of the United States, and for other purposes, shall not be so construed, after the passage of this act, as to increase the emoluments of the commissioned officers of the army.' This act, in terms, refers to a particular act of August 6, 1861, and to no other. Only a very strained interpretation could give it application to any or all acts which might thenceforth be passed on the subject.

"There is a military necessity, apart from that urged by Colonel Bell on the score of increased taxes and rates of living, why officers should not be excluded from the benefits of the increase. It has been remarked already, by officers of judgment and experience, that too little difference between the pay and allowances of enlisted men and commissioned officers serves to engender insubordination. The enlisted men already provided with clothing, rations, and everything they need for support, and not called on for any considerable expenditure of money, would have comparatively equal available means with their officers, who are generally obliged to exercise great economy. Feeling this real equality of condition, the men naturally discover no essential distinction between their officers and themselves, and are not ready to yield them the obedience necessary to discipline and efficiency. From remarks made by members of Congress on this subject, it is believed that the increase of pay by act of August 6, 1861, was given to create a special inducement to men to enlist, which was not required to obtain the requisite number of commissioned officers. The draft system was not then in operation. This motive did not exist in passing the act of June 20, 1864, and it is understood to have been the intention, as expressed by certain members of Congress in this last case, to indirectly increase the compensation of officers while directly enacting it for enlisted men."

CAPTURED FLAGS.

Over two hundred flags, captured from the rebels in various battles, have been received at this office. They have been properly labelled, registered, and deposited for safe keeping. Many others are supposed to have been disposed of by persons who captured, or had them in possession, in ignorance of their being public property.

MEDALS OF HONOR.

The accompanying list (marked D) shows the names o 106 enlisted men to whom medals of honor have been awarded, by order of the Secretary of War, for taking colors from the enemy in battle, and for other acts of distinguished bravery. It is respectfully recommended that the list be published with this report.

By resolution of Congress, approved July 12, 1862, two thousand "medals of honor" were authorized to be prepared for presentation "to such non-commissioned officers and privates as shall most distinguish themselves by their gallantry in action and other soldierlike qualities." By section 6, of the act making appropriations for sundry civil expenses, approved March 3, 1863, a new appropriation is made for striking from the dies already prepared an additional number of medals, to be presented not only to enlisted men, but to *officers*.

The medal of honor is of bronze, of neat device, and is highly prized by those

on whom it has been bestowed. Hitherto no medals have been conferred upon commissioned officers, apparently under the idea that at some future day their acts of distinguished bravery would be recognized by brevets. It is believed that in the majority of cases the award of a gold or a silver medal would be quite as acceptable as the brevet, and of more substantial value, especially in the volunteer service. Under the act of March 3, 1863, brevet rank carries with it no increase of pay or allowances in the volunteer service, and at the expiration of the term of the officer the brevet will, of course, cease with his other rank. If an act were passed to authorize it, a prompt and gratifying acknowledgment of distinguished services could be made by publishing a general order awarding to the officer "the gold medal" or the "silver medal," with the privilege of engraving thereon the name and date of the battle in which his gallantry was conspicuous. In case of his again winning distinction he would be authorized in general orders to add to the inscription upon his medal the name and date of his new exploit. If both gold and silver medals were authorized, there would be no objection to the same officer being the recipient of both if won by meritorious conduct at different times and different in degree. The system of medals need in nowise interfere with the conferring of brevet rank in cases where such rank might be actually exercised in high commands, or at the discretion of the President; but it would relieve the pressure for brevets on the part of the many officers who justly believe they have won a title to some mark of honor, and would avoid the many vexed questions likely to arise from the possession of brevet rank by so large a number of officers as can reasonably prefer a claim to reward.

PRINTING OFFICIAL REPORTS.

In compliance with the resolution of Congress, approved May 19, 1864, to provide for the printing of official reports of the operations of the armies of the United States arranged in their proper chronological order, since December 1, 1860, a large part of the reports have been copied, and the work of copying the remainder is progressing. All officers of the army from whom such reports are due, and who have not forwarded them, have been called upon to transmit them without delay. The work, when properly arranged and indexed as required by the resolution, will be of great historical value, and should not be hurried to completion until it can be properly done.

The report of Brevet Colonel C. W. Foster, assistant adjutant general of volunteers, of the affairs of the bureau for colored troops, is herewith submitted. Colonel Foster has exhibited much ability and good judgment in conducting his business.

The officers of the Adjutant General's department are employed as follows: One brigadier general on special service organizing troops in the southwest; one colonel in charge of the Adjutant General's office, War Department; one colonel and five majors, assistants in the Adjutant General's office; one lieutenant colonel, (brigadier general of volunteers,) adjutant general of the army of the Potomac; one lieutenant colonel on duty at headquarters of a military department; one lieutenant colonel, Provost Marshal General; one lieutenant colonel, major general of volunteers; one major on duty in the Provost Marshal General's bureau; one major on inspecting duty; one major awaiting orders; one major, colonel commanding a regiment of volunteers; two majors on duty in the War Department; one major on the staff of the general-in-chief.

Respectfully submitted:

E. D. TOWNSEND,
Assistant Adjutant General.

Hon. EDWIN M. STANTON,
Secretary of War.

A.

Statement showing the number of enlistments and re-enlistments made in the regular army from January 1, 1864, *to October* 31, 1864, *inclusive, compiled from reports forwarded to this office by recruiting officers.*

Month.	General service.	Mounted service.	5th artillery.	11th infantry.	12th infantry.	13th infantry.	14th infantry.	15th infantry.	16th infantry.	17th infantry.	18th infantry.	19th infantry.	Engineer corps.	Signal corps.	Total for each month.
January	303	74	44	12	31	12	117	32	74	24	20	27	19	30	819
February	636	288	114	96	65	138	188	264	194	61	62	41	149	....	2,294
March	574	187	108	75	91	115	118	122	266	45	9	37	38	....	1,775
April	307	93	83	154	56	45	42	105	32	41	20	38	4	....	1,021
May	196	115	48	43	24	30	47	34	37	20	10	63	1	....	664
June	154	79	22	30	30	17	35	36	46	3	16	59	....	....	517
July	334	106	26	60	25	21	23	15	55	13	46	112	13	....	889
August	422	227	48	125	64	14	160	18	166	13	59	147	....	....	1,463
September	568	102	122	66	60	39	143	24	309	57	17	63	....	....	1,570
October	483	115	59	94	27	23	41	38	122	37	27	31	10	....	1,107
Re-enlistm'ts	295	190	37	.....	18	50	95	129	51	.....	34	.....	87	30	916
Total	4,202	1,564	711	755	481	504	1,009	818	1,352	314	320	618	311	60	13,019

R. WILLIAMS,
Assistant Adjutant General.

B.

Statement showing the number of enlisted men transferred from the army to the navy up to and including October 31, 1864, *as shown in latest reports.*

	Number transferred.
From Department East	404
Department Susquehanna	74
Department Virginia and North Carolina	1,055
Army Potomac	1,218
Northern Department	93
Department Cumberland	79
Department Washington	420
Department Missouri	6
Department Gulf	171
Ninth Corps	2
Department South	40
Department West Virginia	6
Total	3,568

D. D. PERKINS,
Assistant Adjutant General.

WAR DEPARTMENT,
Adjutant General's Office, November 17, 1864.

C.

Exhibit of recruits (volunteer and drafted) for old and new organizations, forwarded to field; veteran volunteers furloughed from and returned to armies in the field; volunteers mustered out and discharged by expiration of term; and "one-hundred-day" troops forwarded to field and discharged, all under the direction of the Adjutant General's office, from November 1, 1863, to October 31, 1864.

States.	Volunteer recruits for one, two, and three years, for old and new organizations, forwarded to field.*	Veteran volunteers sent to their respective States on furlough, and returned therefrom to armies in field.	Drafted men forwarded to field.	Three-year volunteers mustered out and discharged on account of expiration of term, so far as reported.				"100-day" troops forwarded to field.†			"100-day" troops returned to States and mustered out on account of expiration of term.†		
				Regiments.	Companies.	Batteries.	Strength.	Regiments.	Companies.	Strength.	Regiments.	Companies.	Strength.
Connecticut	7,507	3,538	1,484	7	....	1	609	....	....	.....	.....	.....	.....
Delaware	1,078	404	171	1	....	....	341	1	....	900	1	....	900
Illinois	21,633	16,392	2,702	40	4	1	6,556	13	2	11,880	13	2	11,880
Indiana	22,050	11,490	2,741	15	....	2	5,177	8	....	7,200	8	....	7,200
Iowa	8,269	6,895	1,295	16	....	3	2,695	4	4	3,960	4	4	3,960
Kansas	1,245	425	.....	1	....	....	43	....	....	.....	.....	.....	.....
Kentucky	15,300	3,057	955	8	....	2	1,225	....	....	.....	.....	.....	.....
Maine	6,176	3,533	1,615	9	....	....	985	....	....	.....	.....	.....	.....
Maryland	2,952	2,003	1,663	7	1	2	1,708	1	4	1,260	1	4	1,260
Massachusetts	19,331	5,994	939	21	....	4	3,825	5	....	4,500	5	....	4,500
Minnesota	4,306	1,197	212	2	....	1	515	....	....	.....	.....	.....	.....
Michigan	18,640	5,197	1,579	11	....	1	1,575	....	....	.....	.....	.....	.....
Missouri	19,766	2,231	11	12	....	1	3,284	....	....	.....	.....	.....	.....
New Hampshire	6,225	1,617	1,947	4	....	1	503	....	....	.....	.....	.....	.....
New Jersey	10,189	2,838	2,359	11	....	2	2,058	1	....	900	1	....	900
New York	68,363	19,426	8,611	35	9	9	2,097	7	6	3,420	7	6	3,420
Ohio	43,012	19,928	4,763	43	....	8	5,005	42	....	37,800	42	....	37,800
Pennsylvania	58,583	18,607	5,311	47	....	5	8,478	6	8	6,120	6	8	6,120
Rhode Island	1,779	1,089	65	2	....	....	338	....	....	.....	.....	.....	.....
Vermont	5,912	1,920	538	5	....	....	940	....	....	.....	.....	.....	.....
West Virginia	2,879	2,636	.....	7	1	4	1,609	....	....	.....	.....	.....	.....
Wisconsin	16,404	5,765	2,249	9	....	8	1,512	3	....	2,700	3	....	2,700
District of Columbia	880	118	836	....	1	....	96	....	....	.....	.....	.....	.....
Enlistments in rebel States	2,851	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Re-enlistments under G. O. No. 135 of 1864	1,189	.....	‡691	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total	366,459	136,300	42,727	313	16	55	51,174	91	24	80,640	91	24	80,640

RECAPITULATION.

Forwarded to field.

One, two, and three year recruits, for old and new organizations	366,459	
Drafted men	42,727	
"100-day" troops	80,640	
		489,826

Mustered out and discharged.

Three-year volunteers	51,174	
"100-day" troops	80,640	
		131,814
Veterans furloughed and returned to field		136,300
Total discharged, forwarded, and furloughed		757,940

* Ten per cent. is taken as the approximate difference between number mustered in and number forwarded to field. This difference or loss results from desertions and discharges on account of physical disability, subsequent to muster in and prior to the men being ready to be forwarded to regiments and companies.

† The term being short, there were but few casualties from disease and battle between dates of muster-in and muster-out. The numbers mustered in and mustered out are therefore set down as the same.

‡ Special assignments.

THOMAS M. VINCENT, *Assistant Adjutant General.*

WAR DEPARTMENT, *Adjutant General's Office, November 17, 1864.*

D.

MEDALS OF HONOR.

No.	Name.	Rank.	Co.	Regiments.
1	Frederick C. Anderson	Private	H	18th Massachusetts Vet. Vols.
2	Robert Buffum		H	21st Ohio Vols.
3	William Bensinger		G	22d Ohio Vols.
4	Wilson Wright Brown	Corporal	F	21st Ohio Vols.
5	Chester B. Bowen	Color corporal	I	1st New York Dragoons.
6	Philip B. Baybutt	Private	A	2d Massachusetts Cavalry.
7	Gabriel Cole	do	I	5th Michigan Cavalry.
8	John Creed	do	D	23d Illinois Veteran Vols.
9	James Connor	do	E	43d New York Vols.
10	Daniel A. Dorsey		H	33d Ohio Vols.
11	Henry M. Fox	Sergeant	M	5th Michigan Cavalry.
12	John Gray		B	5th Ohio Vols.
13	Isaac Gause	Corporal	E	2d Ohio Cavalry.
14	Martin J. Hawkins		A	33d Ohio Vols.
15	John C. Hesse	Corporal	A	8th United States Infantry.
16	Franklin Hogan	do	A	45th Pennsylvania Vet. Vols.
17	Edward Hanford	Private	H	2d United States Cavalry.
18	Samuel Johnson		G	9th Pennsylvania Reserves.
19	Willie Johnson		D	3d Vermont Vols.
20	William Knight		E	21st Ohio Vols.
21	Thomas Kelly	Private		6th New York Cavalry.
22	Frank Leslie	do		4th New York Cavalry.
23	George Lucas	do	C	3d Missouri Cavalry.
24	Andrew J. Lorish	Commissary sergeant		1st New York Dragoons.
25	Elihu H. Mason	Sergeant	K	21st Ohio Vols.
26	Harry Joseph Mandy	First sergeant		4th New York Cavalry.
27	Patrick McEnvoe	Sergeant	D	6th New York Cavalry.
28	George E. Meach	Farrier	I	6th New York Cavalry.
29	George G. Moore	Private	D	West Virginia Vol. Infantry.
30	Thomas Murphy	Corporal	K	158th New York Vols.
31	Jacob Parrot		K	33d Ohio Vols.
32	William Pettinger	Corporal	G	2d Ohio Vols.
33	John R. Porter	Sergeant	G	21st Ohio Vols.
34	William Henry Reddick	Corporal	B	33d Ohio Vols.
35	Otis O. Roberts	Sergeant	H	6th Maine Vols.
36	George W. Reed	Private	E	11th Pennsylvania Vols.
37	George Reynolds	do	M	9th New York Cavalry.
38	James Smith		I	2d Ohio Vols.
39	John Shilling	First sergeant	H	3d Delaware Vols.
40	John Wollam		B	33d Ohio Vols.
41	Mark Wood	Corporal	C	21st Ohio Vols.
42	John A. Wilson		C	21st Ohio Vols.
44	David H. Scofield	Quarterm'r sergeant		5th New York Cavalry.
44	T. M. Wells	Chief bugler		6th New York Cavalry.
45	James Sweeney	Private	A	1st Vermont Cavalry.
46	Fred. A. Lyons	Corporal	A	1st Vermont Cavalry.
47	Ulric Crocker	Private	M	6th Michigan Cavalry.
48	John Welsh	Corporal	D	5th New York Cavalry.
49	Daniel P. Reigle	do	F	87th Pennsylvania Vet. Vols.
50	E. D. Woodbury	Sergeant	E	1st Vermont Cavalry.
51	Ira Hough	Private	E	8th Indiana Veteran Infantry.
52	Jeremiah Parks	do	A	9th New York Cavalry.
53	James M. Compton	do	D	91st Ohio Vols.
54	Richard Taylor	do	E	18th Indiana Vols.

HEADQUARTERS ARMY OF THE POTOMAC,
October 17, 1864.

Statement showing the names of soldiers of the army of the Potomac who have individually captured flags from the enemy since July 1, 1863, *and who for their gallantry are recommended to the War Department as worthy to receive medals of honor.*

SECOND ARMY CORPS.

1. Sergeant William Westerhold, company K, 52d New York volunteers, captured the flag of the 23d Virginia, with the color-bearer, who only surrendered as Sergeant Westerhold was about to shoot him; this at Spottsylvania, May 12, 1864. Now 2d lieutenant of this regiment.

2. Sergeant George H. Dore, company D, 126th New York volunteers, captured the flag of an unknown regiment at Gettysburg, July 3, 1863. The color was struck down by a shell as the enemy were charging, and Sergeant Dore rushed out and seized it, exposing himself to our own and the enemy's fire. Now present.

3. Private Jerry Wall, company B, 126th New York volunteers, captured a flag from the enemy at Gettysburg, July 3, 1863; particulars unknown, as Private Wall is now absent, a prisoner of war.

4. Private Michael Burke, company D, 125th New York volunteers, seized the colors of an unknown regiment as his regiment was advancing over the enemy's works at Spottsylvania, May 12, 1864, went on with his regiment, and was shortly afterwards dangerously wounded. Now absent, wounded.

5. Private George Harris, company B, 148th Pennsylvania volunteers captured the colors of an unknown regiment at Spottsylvania, May 12, 1864, and, after wresting them from the color-bearer, shot a man, probably an officer, who attempted to seize them, then turned the colors over to the colonel of his regiment. Present.

6. Sergeant Albert Marsh, company B, 64th New York volunteers, captured a set of colors, regiment unknown, at Spottsylvania, May 12, 1864. Afterwards lost a leg by a shell-wound. Absent wounded.

7. First Sergeant James Wiley, company B, 59th New York volunteers, captured the colors of a Georgia regiment at Gettysburg, July 3, 1863, advancing under fire. Now prisoner of war.

8. Sergeant Major Wm. B. Hicks, 14th Connecticut volunteers, captured the colors of the 14th Tennessee regiment at Gettysburg, July 3, 1863, during the assaults on the 2d corps. Now adjutant of regiment.

9. Private E. W. Bacon, company F, 14th Connecticut volunteers, captured the flag of the 16th North Carolina regiment at Gettysburg, July 3, 1863, during the assault on the 2d corps. Now corporal in regiment.

10. Corporal Christopher Flynn, company K, 14th Connecticut volunteers, captured the flag of the 52d North Carolina regiment at Gettysburg, July 3, 1863, during the assault upon the 2d corps. Present.

11. Private Marshall Sherman, company C, 1st Minnesota volunteers, captured the flag of the 58th Virginia at Gettysburg, July 3, 1863, with the lieutenant in charge, during the assault on the 2d corps. Now absent, wounded.

12. Private John Mayberry, company F, 1st Delaware volunteers, captured a flag, regiment not known, at Gettysburg, July 3, 1863, during the assault on the 2d corps. Now absent, wounded.

13. Private Bernard McCarvan, company C, 1st Delaware veteran volunteers, captured a flag, regiment not known, at Gettysburg, July 3, 1863, during the assault upon the 2d corps.

14. Private John H. Weeks, company H, 152d New York volunteers, cap-

tured a flag, regiment not known, together with the color-bearer, at Spottsylvania, May 12, 1864. Now present.

15. Corporal Joseph De Castro, company I, 19th Massachusetts volunteers, captured the flag of the 19th Virginia regiment at Gettysburg, July 3, 1863, during the assault on the 2d corps. Now in general hospital.

16. Private Jack Robinson, company I, 19th Massachusetts volunteers, captured the flag of the 57th Virginia regiment at Gettysburg, July 3, 1863, during the assault on the 2d corps. Now prisoner of war.

17. Corporal Thomas Cullen, company I, 82d New York volunteers, captured the flag of the 22d or 28th North Carolina regiment at Bristoe Station, October 14, 1863, while advancing under fire. Now prisoner of war.

18. Sergeant Benjamin H. Jellison, company C, 19th Massachusetts volunteers, captured the flag of the 54th Virginia volunteers at Gettysburg, Pennsylvania, July 3, 1863, knocking down the color-sergeant with his fist. Now absent, wounded.

19. Color-sergeant Benjamin F. Falls, company A, 19th Massachusetts volunteers, captured the flag of an unknown regiment at Gettysburg, July 3, 1863, during a charge of the enemy. Died of a wound received at Spottsylvania.

20. Corporal M. C. Hanscom, company F, 19th Maine volunteers, captured the flag of the 26th North Carolina regiment at Bristoe Station, October 14, 1864; after turning it in, returned to regiment. Now present.

21. Private Lewis Rounds, company C, 4th Ohio volunteers, captured the flag of an unknown regiment at Spottsylvania, May 12, 1864, from the enemy's works. Now regimental adjutant.

22. Private Lewis Morgan, company C, 4th Ohio volunteers, captured the flag of an unknown regiment from the enemy's works at Spottsylvania, May 12, 1864. Now sergeant.

23. Sergeant John Miller, company G, 8th Ohio volunteers, captured two flags, regiments not known, during the assault of the enemy on the 2d corps at Gettysburg, July 3, 1863. Now discharged.

24. Private James Richardson, company F, 8th Ohio volunteers, captured the flag of an unknown regiment during the assault on the 2d corps at Gettysburg, July 3, 1863. Now mustered out of service.

25. Private Oliver Rood, company F, 20th Indiana volunteers, captured the flag of the 21st North Carolina regiment while charging the enemy at Gettysburg, July 3, 1863. Now present.

26. Sergeant William P. Thompson, company G, 20th Indiana volunteers, captured the flag of the 55th Virginia regiment while charging the enemy at the Wilderness, May 6, 1864. Now present.

27. Private Archibald Freeman, company E, 124th New York volunteers, captured the flag of the 17th Louisiana regiment from the color-sergeant at Spottsylvania, May 12, 1864. Now present.

28. First Sergeant William Jones, company A, 73d New York volunteers, captured the flag of the 65th Virginia while charging the enemy at Spottsylvania, May 12, 1864. Killed during the battle of that date.

29. Private Philip Slaughter, company F, 73d New York volunteers, captured the flag of the 15th Louisiana regiment while charging the enemy at Spottsylvania, May 12, 1864. Now present.

30. Sergeant Joseph Kemp, company D, 5th Michigan, captured the flag of the 31st North Carolina regiment, tearing it from the staff, which was retained by the color-bearer, at the Wilderness, May 6, 1864. Now absent, prisoner of war.

31. Private Francis A. Bishop, company C, 57th Pennsylvania volunteers, captured a flag, regiment unknown, at Spottsylvania, May 12, 1864. Present.

32. Sergeant Stephen Rought, company A, 141st Pennsylvania volunteers.

captured the flag of the 13th North Carolina regiment from the color-bearer in the enemy's breastworks at the Wilderness, May 6, 1864. Now absent in general hospital at Philadelphia.

33. Corporal Charles L. Russell, company H, 93d New York volunteers, captured the flag of the 42d Virginia regiment, shooting the color-bearer, in the breastworks as we were charging the enemy at Spottsylvania, May 12, 1864. Now present.

34. Corporal John M. Kendig, company A, 63d Pennsylvania volunteers, captured the flag of the 28th North Carolina from the color-sergeant during the charge at Spottsylvania, May 12, 1864. Now present.

35. Private Thomas Robinson, company H, 81st Pennsylvania volunteers, captured the color of an unknown regiment at Spottsylvania, May 12, 1864, after a desperate hand-to-hand conflict. Now absent, wounded.

FIFTH ARMY CORPS.

1. Private John N. Opel, company G, 7th Indiana volunteers, captured the flag of the 50th Virginia regiment, at the Wilderness, May 5, 1864, while driving the enemy. Flag sent to War Department. Present.

2. Corporal Horace A. Ellis, company A, 7th Wisconsin volunteers, captured the flag of the 16th Mississippi regiment, at the Weldon railroad, August 21, 1864. The flag was torn up by the color-bearer before it was captured. Flag sent to War Department. Present.

3. Corporal Frank A. Waller, company F, 6th Wisconsin veteran volunteers, captured the flag of the 2d Mississippi regiment, near Gettysburg, July 1, 1863. While the brigade was making a charge, Corporal Waller advanced and captured the flag; he stood on it and fired three times before taking it up. Flag sent to 1st army corps headquarters. Present.

4. Private James T. Jennings, 56th Pennsylvania veteran volunteers, captured the flag of the 55th North Carolina regiment while advancing the skirmish line, near the Yellow Tavern, on the Weldon railroad, August 20, 1864 Present.

5. Sergeant James B. Thompson, company G, 1st Pennsylvania rifles, captured the flag of the 15th Georgia regiment, at Gettysburg, July 3, 1863. Now absent, prisoner of war.

NINTH ARMY CORPS.

1. Sergeant Jeremiah Mahoney, company A, 29th Massachusetts veteran volunteers, captured the colors of the 17th Mississippi, at Fort Sanders, Knoxville, Tennessee, November 29, 1863. Mustered out of service.

2. Private Joseph E. Manning, company K, 29th Massachusetts veteran volunteers, captured the colors of a Georgia regiment, (16th or 18th,) at Fort Sanders, Knoxville, Tennessee, November 29, 1863. Mustered out of service.

3. Private John H. Harbourne, company K, 29th Massachusetts veteran volunteers, captured a color from the enemy, at Petersburg, June 17, 1864. Now present.

4. Sergeant James S. Hill, company C, 14th New York artillery, captured a color from the enemy, at Petersburg, July 3, 1864, shooting a rebel officer who was rallying his men with the color in his hand. Now present.

5. Sergeant Major George H. Plowman, 3d Maryland battalion, and

6. Sergeant Bernard Strausbaugh, company A, 3d Maryland battalion, recaptured the color of the Provisional 2d Pennsylvania artillery, at Petersburg, June 17, 1864, after a desperate struggle, in which Sergeant Major Plowman was wounded. Present.

7. Private Robert Reid, company G, 48th Pennsylvania veteran volunteers, captured the colors of the 44th Georgia regiment, at Petersburg, June 17, 1864. Present.

8. Corporal Patrick Monaghan, company G, 48th Pennsylvania veteran volunteers, recaptured the colors of the 7th New York heavy artillery on the 17th of June, 1864, at Petersburg. Present.

9. Sergeant Henry W. Roe, company I, 11th New Hampshire volunteers, captured a flag from an unknown regiment, at Petersburg, June 17, 1864. Present.

10. Sergeant Leander H. Wilkins, company H, 9th New Hampshire volunteers, recaptured and brought off the field the colors of the 21st Massachusetts volunteers, at Petersburg, July 30, 1864, after a hand-to-hand encounter. Present.

11. Sergeant Charles Brown, company C, 50th Pennsylvania veteran volunteers, captured the colors of the 47th Virginia regiment, in the engagement near the Weldon railroad, August 19, 1864. Present.

12. Corporal Benjamin F. Young, 1st Michigan sharpshooters, captured the colors of the 35th North Carolina, at Petersburg, June 17, 1864. Present.

GEO. G. MEADE,
Major General, Commanding.

The above is a list of men to whom medals of honor have been awarded up to October 31, 1864.

E. D. TOWNSEND,
Assistant Adjutant General.

ADJUTANT GENERAL'S OFFICE,
Bureau for Colored Troops, October 20, 1864.

SIR: The following report of the operations of this bureau during the past year is respectfully submitted:

Since my last annual report the organization and recruitment of colored troops have steadily advanced; many new regiments have been mustered in, and the older regiments, reduced by service, have been strengthened by volunteer enlistments and the assignment of drafted men and substitutes.

On the 31st of October, 1863, the date of my last annual report, there were, as shown by the official returns on file in this office, fifty-eight regimental organizations, with a total strength of thirty-seven thousand seven hundred and seven.

According to the same data, there are at the present time in service one hundred and forty regiments, including all arms, with a total strength of one hundred and one thousand nine hundred and fifty, divided as follows, viz:

12 regiments artillery, (heavy)	12,226
artillery, (light,) 8 batteries	833
6 regiments cavalry	5,605
121 regiments infantry	83,286
Total	101,950

Increase in the number of regiments since October 31, 1863	82
Increase in the number of officers and men since October 31, 1863	63,243
This branch of the service has lost by battle, discharges, desertions, and disease, from the commencement of its organization to the present time	33,139
There have been transferred to the navy and other branches of the public service	1,624
Add to this number the number now in service, and it gives a total, officers and men connected with the colored troops, from date of first organization to the present time, of	136,713

There have been enlisted and mustered into service at the several rendezvous established in the rebel States, in pursuance of the act of Congress approved July 4, 1864, up to October 15, 1864, two thousand five hundred and ten colored recruits. These have been assigned to old regiments.

By direction of the Secretary of War, the designation of the regiments composing the corps d'Afrique, in the department of the Gulf, has been changed to United States colored troops, and the enlisted men of five of said regiments, viz., 79th, 83d, 88th, 89th, and 90th, distributed among the remaining twenty-three regiments of that corps. The supernumerary officers have been mustered out of service, subject, however, to examination, with a view to their reappointment in other colored regiments, under regulations established by Major General Canby, subject to the approval of the Secretary of War.

This measure was absolutely demanded by the interests of the service, the colored regiments in that department, with but one or two exceptions, never having had a minimum number of enlisted men, as prescribed by law, while, as a general rule, they had the full number of officers allowed a maximum organization. A further consolidation of these regiments is now under consideration by Major General Canby, whose action in the matter will be brought to the notice of the department at the proper time.

The excellence and utility of the system of competitive examinations of candidates for appointment as officers of colored troops, which was established by the department a short time prior to my assignment to this bureau, is further demonstrated by the experience of the past year.

Two thousand five hundred and sixty-eight candidates for appointment have been examined during the year, nine hundred and seventy-eight of whom were rejected.

There have been appointed during the year fifteen hundred and ninety-nine officers of all grades, not including a large number of provisional appointments made in the southwest by department commanders and others, to whom authority to appoint officers has been delegated.

In no instance of which I am informed have the officers of any regiment, appointed from those examined, behaved in the face of the enemy in any other than a creditable manner; and their commands are as far advanced in discipline and instruction as can reasonably be expected from their length of service.

A board or commission, charged to award a just compensation to loyal owners in the State of Maryland, whose slaves enlisted in the military service of the United States, has been in session at Baltimore, Maryland, since December, 1863. The whole number of claims presented to October 4, 1864, is two thousand and fifteen, (2,015,) five of these being for men drafted. Up to October 1, 1864, two hundred and forty-four (244) of these claims had been passed upon by the commission; of these, nine were rejected, and upon the remainder awards were made proportionate in each case to the term of service which the recruit had, prior to enlistment, owed to the claimant. Twenty-five of the accepted claims, amounting in the aggregate to six thousand nine hundred dollars, ($6,900,) have been paid by the disbursing officers attached to this bureau. Unpaid claims, amounting to forty-seven thousand eight hundred dollars, ($47,800,) are now on file in this office. For a more detailed statement of the disbursements in connexion with this board, your attention is respectfully invited to the report of the disbursing officer, Captain LeG. Benedict, assistant adjutant general volunteers, which is herewith.

By the death of S. F. Streeter, esquire, late president of this board, the government has lost a servant justly distinguished for his integrity and efficiency.

The board recently appointed by the Secretary of War to investigate similar claims arising in the State of Delaware has commenced its sittings. Only eight claims have yet been presented.

Brigadier General L. Thomas, Adjutant General United States army, who has

superintended and directed the organization of nearly all the new regiments raised in the slave States and States in rebellion, will, it is presumed, make a detailed report of his operations.

I have the honor to be, sir, very respectfully, your obedient servant,

C. W. FOSTER,

Brevet Colonel and Assistant Adjutant General of Volunteers.

The ADJUTANT GENERAL *United States Army.*

ADJUTANT GENERAL'S OFFICE,
Washington, D. C., November 7, 1864.

SIR: Under your special instructions of March 25, 1864, to proceed to the Mississippi river and organize colored troops, I have the honor to report the following as the result thus far:

Iowa, near the Missouri line.—One regiment of infantry.

Arkansas.—Six regiments of infantry.

Tennessee.—Two regiments of heavy artillery, one company of light artillery, and two regiments of infantry.

Mississippi.—One regiment of cavalry, two regiments of heavy artillery, and five regiments of infantry.

Louisiana.—One regiment of cavalry, three companies of light artillery, and six regiments of infantry.

Alabama.—Three regiments of infantry.

Florida.—One regiment of infantry.

Kentucky.—Two regiments of cavalry, two regiments of heavy artillery, and eleven regiments of infantry.

RECAPITULATION.

Four regiments of cavalry	4,800
Six regiments of heavy artillery	10,800
Four companies of light artillery	720
Forty regiments of infantry	40,000
Total	56,320

All of the above regiments were organized on the maximum standard, and when entirely complete would give the above specified number. That number was undoubtedly on the rolls, though some of the regiments may not have been entirely filled when ordered to the field, as the loss by death and other casualties were, in many cases, made up by recruits. At the present time the aggregate is about fifty thousand.

In the above enumeration I make no mention of other regiments organized in Tennessee, as they were raised under specific orders from the War Department addressed to others.

No organizations were made in north Georgia, as the few negroes who came within our lines were assigned to regiments in Tennessee. In Louisiana only one regiment was organized, because the infantry regiments raised in that State by General Banks were limited to five hundred men each, and orders were subsequently given to raise them to one thousand each. All the recruits, therefore, were necessary for this purpose.

In Kentucky the number on the rolls on the 15th of October was about seventeen thousand, which number would be increased to twenty thousand, as other organizations had been authorized and were going forward. When this number is obtained, it is recommended that no further regiments be ordered,

but that the subsequent recruits be assigned to those already in the service, to keep them up to the maximum standard.

More troops would have been put into the army but for the pressing demands of the several departments on the Mississippi, and for laborers with the troops operating in the field. The number of blacks used in this way, including cooks and servants, must be very large. Most of the labor is done by this class of men, and the forts on the Mississippi river have been mainly thrown up by them. Where white and black troops come together in the same command, the latter have to do the work. At first this was always the case, and in vain did I endeavor to correct it, contending that if they were to be made soldiers, time should be afforded for drill and discipline, and that they should only have their fair share of fatigue duty. The prejudice in the army against their employment as troops was very great; but now, since the blacks have fully shown their fighting qualities and manliness, it has greatly changed.

All of the regiments have white officers, who are selected with care, and are subject to an examination, and even a second one if deemed necessary. Great difficulty was experienced in the early part of the work in getting medical officers, but this has been remedied by sending a medical officer through the New England States, who induced a number of physicians to appear for examination, and receive appointments.

The non-commissioned officers are generally appointed from white regiments; but as intelligent blacks are found, they are made sergeants and corporals, and ultimately they will fill all these positions.

I have the honor to be, very respectfully, your obedient servant,

L. THOMAS,
Adjutant General.

Hon. E. M. STANTON,
Secretary of War.

REPORT OF THE CHIEF ENGINEER.

ENGINEER DEPARTMENT,
Washington, October 21, 1864.

SIR: I have the honor to present herewith the annual report of the operations of the Engineer Department for the fiscal year ending June 30, 1864.

As portions of this report present information which should be withheld from publication, it is recommended that such portions be not placed in the hands of the public printer. These portions are indicated by being furnished herewith in a special package.

DISTRIBUTION OF OFFICERS.

The operations of the Engineer Department and its officers during the year ending June 30, 1864, have embraced most branches of the profession, and extended through most States of the Union—on the Atlantic, Gulf, Pacific, and Lake frontiers, and armies in the field opposed to the rebels.

The corps consists, at present, of eighty-six officers of all grades.

Lieutenant General Grant has had the services of twenty-one officers of the corps with the armies operating against Petersburg and Richmond. They have been occupied incessantly in the construction of field fortifications, reconnoitring the enemy's positions, building pontoon bridges and manœuvring the bridge-trains, making surveys of the country occupied by the armies, and plans of the siege-works before Petersburg, and serving on the staff of the Lieutenant General and other general officers of the army of the Potomac and James rivers.

Major General Halleck has had the services of two field officers on his staff, attending to all the engineering duties of his bureau, while another field officer of the corps has been charged continuously with the defences of Washington city, with the co-operation and occasional assistance of several others.

The army under General Hunter had one subaltern officer, upon whom devolved the duty of constructing bridges, and collecting topographical information for the movement of the army in its march through the valley of Virginia, thence to the Ohio, and back to the valley.

The army under General Sherman has had nine field and subaltern officers assigned to it, who have labored continuously in the construction of defences for the numerous bridges on the lines of railroad; in fortifying many strategic sites, besides cities and towns on the lines of communication; in making surveys and reconnoitring expeditions to procure information of the strength and position of the enemy, and collect topographical data upon which to construct campaign maps and plans of the various sites occupied by the army, and in the service of the pontoon trains for bridging the water-courses.

The army under General Banks had six officers attached to it, who constructed many field-works for the defence of particular localities; and under General Canby four officers, who conducted all the siege operations that ended in the capture of the permanent sea-coast defences on Mobile Point and Dauphin island.

General Steele has had two officers accompanying his army in its march through Little Rock to the Red river, and back to Little Rock, calling for frequent use of the pontoon bridge trains in their charge, and the construction of some field-works for the defence of particular strategic points.

The department of the south, under Generals Gillmore and Foster, has had the services of three officers, who were most arduously engaged in the siege operations at Forts Gregg and Wagner, and in the demolition of Fort Sumter; and the department of Virginia and North Carolina, under Generals Foster and Butler, has had the services of two officers constructing the defences of Newbern and Washington, North Carolina.

Such has been the disposition of the officers, and their labors in their legitimate staff duties in the field. These several armies have also no less than nineteen engineer officers as commanders of troops, aides-de-camp, and assistant adjutants general, holding rank as major generals, brigadier generals, and staff officers.

While these field duties have been performed by engineer officers, twenty-four others have been engaged in the construction of the permanent and temporary sea-coast defences on the Atlantic, Gulf, Pacific, and Lake coasts. Their labors have been arduous and unremitted, being necessarily compelled to superintend works so distant from each other that they were able to give but partial personal attention to any one.

The survey of the lakes has also progressed under charge of one officer, and the harbors on the lakes and Atlantic under another. The selection of a naval site on the western waters is assigned to another, as member of a commission for that purpose, and two others are associated with the Chief Engineer in the various duties of the bureau, where many of the maps are compiled for the armies in the field.

During the year nine officers of the corps have been lost by death, all of whom have given their lives to the sevice of the country. The whole army mourns the loss, among these, of the distinguished chief who, for more than twenty-five years, so worthily commanded the corps.

EXPENDITURES, ETC.

The total amount expended by the department for the year is $6,345,191 74. The amount appropriated by Congress for the prosecution of the works on

which this sum has been expended, including the Military Academy, is $6,959,297.

The number of sheets of maps furnished during the year by the topographical branch of the department to the armies in the field, throughout the United States, was 20,938.

Of sheets of the lake surveys, for commercial as well as military purposes and harbor improvements, there were distributed 3,688 sheets, making a total issue of 24,626 sheets.

For these supplies, and for the instruments used in conducting operations to obtain these results, there has been expended the sum of $49,755 81.

SURVEY OF THE NORTH AND NORTHWESTERN LAKES.

This survey has progressed satisfactorily during the past year. Its operations have been chiefly directed to the primary triangulation of Lake Michigan and of Green bay; to the off-shore hydrography of Lakes Superior and Michigan and Green bay; to the survey of portions of the shore on each of these lakes and Green bay; to the preparation and measurement of a base line for the local triangulation of Green bay; to astronomical and meteorological observations; and to the annual survey of the improved channels over the St. Clair flats, and the flats in Lake George, St. Mary's river.

The off-shore hydrography shows an aggregate of 993 miles of soundings, and the in-shore hydrography an aggregate of 1,897 miles.

The shore-line survey extended over 145 miles, embracing the topography for at least half a mile from the shore-line.

Meteorological observations connected with the lake survey have been in progress since the year 1859. Reductions and compilations of these observations are in progress, developing phenomena of much interest and importance to further astronomical observations.

Connected with the astronomical branch of the survey, arrangements were made for obtaining the difference of longitude by telegraphic signals between the observatory at Detroit, Michigan, and the observatory at Fort Howard, Wisconsin, a line of nearly six hundred miles in length, and worked without repeaters. Meridian passages of nearly one hundred stars were observed on the chronograph at Detroit and Fort Howard. The reduction of work for publication is progressing, there being in hand two large maps, one of thirty-one thousandths, 29 by 42 inches, the other of one hundred and twenty thousandths, 27½ by 38½ inches, the former on Lake Superior; the latter, portions of Lake Michigan and Green bay.

There are in process of engraving two large maps, one covering the west end of Fond du Lac of Lake Superior, 28½ by 36½ inches; the other covering portions of the northeast end of Lake Michigan, 34½ by 38½ inches, both of which will be ready for distribution on the opening of navigation next season at those localities.

The progress of the survey has developed harbors of refuge, where, by the construction of suitable gun batteries, the large commercial marine of the lakes would find protection against a hostile fleet.

OPERATIONS OF THE YEAR.

The expenditure for carrying on the war has been of first necessity, and the appropriations therefor have, in general, absorbed the full amounts, while for permanent defence of the sea-coast a large amount remains unexpended, and available for the future.

The work done on the several forts and batteries is particularized in the accompanying statement, as derived from the reports of the superintending engineers. The great end in view has been to hasten to completion such parts of the works as would soonest enable the armaments to be introduced, and the

progress made continues to be for all descriptions of guns greatly in advance of the ability of the ordnance department to provide the required artillery, while arduously engaged in providing the armies in the field with their necessary munitions.

The board ordered by you in January, 1864, to examine the system of our sea-coast defences as then being constructed, &c., entered upon its duties, and proposed several modifications called for by the introduction of increased calibres in guns, the rifling of heavy artillery, and the use of armor-clad vessels as combatants.

Earth, as an opposing mass to resist artillery, while it is also used to cover and protect masonry, has, from the earliest period of permanent fortifications, been considered the most reliable material, and least subject to injury from an enemy's artillery, whether large or small, rifled or smooth-bore, and all exposed masonry has been and continues to be objectionable as liable to certain demolition where fixed batteries of sufficient power can be brought to act against it. These views the board emphatically recommend to be steadily kept in view, and point out several instances where masonry parapets have been designed for works in progress, where these can and should be substituted by earthen ones.

The board was dissolved by its members being called into the field before time had been given for maturing detailed special plans for carrying their ideas into effect for the several works indicated for modification. The several superintending resident engineers have been called upon for designs to modify their respective works, so far as their present condition will permit; while in other cases special boards will have to be organized to mature detailed plans for the proper modifications. The great pressure for engineer officers with the armies is now such that the requisite experience cannot be commanded for the organization of such board.

For the defences of the California coast, and to carry into effect the intention of Congress in fortifying the land approaches to San Francisco, a special board has been ordered, and is now engaged on that duty, keeping at the same time in view the recommendations of the late board created by your order of the 27th of January, 1864.

All the supplies of engineer material required for our great armies in the field, whether of bridge equipage, supplies for siege operations, or for the construction of field-works and defensive lines, have been provided and distributed promptly, as called for. The principal depots for these supplies have been that of Washington, in charge of Colonel W. H. Pettes, New York, volunteer engineers for the armies operating in this vicinity; the depot at Cincinnati, in charge of Lieutenant Colonel James H. Simpson, corps of engineers for the western armies, and that at New York for the general service, in charge of Mr. W. P. Trowbridge, engineer agent, who has also met all the calls for material, apparatus, &c., of the officers engaged in the construction of our permanent fortifications.

From among the reports from officers of the corps of engineers with the armies in the field I have selected five of particular interest that may be published at this time without prejudice to the public interest.

They are—

1. On the use of India-rubber pontoon bridges by the army under General Steele.

2. Passage of the James river by the army under General Grant on a pontoon bridge.

3. Siege of Fort Morgan by the army under General Canby.

4. Siege of Fort Gaines by the army under General Canby.

5. Description of the mine made under the enemys' work at Petersburg by the army under General Grant.

The journal of the siege of Forts Wagner and Gregg, and the demolition of Fort Sumter, will not be received in time to accompany this report.

USE OF INDIA-RUBBER PONTOON BRIDGE.

Extract from the report of Major General Steele on his retreat from Camden, dated

HEADQUARTERS DEPARTMENT OF ARKANSAS,
Little Rock, May 4, 1864.

GENERAL: * * * * *

The enemy having disappeared from the field, our troops were withdrawn and passed over the bridge without interruption from the enemy; tho bridge was kept two hours to pass over our wounded men and stragglers. It was nearly worn out, (India-rubber floats,) having been in use over two years. Some parts of it were two feet under water, and I ordered it to be destroyed. We had no transportation for it; the mules were exhausted; the wagons were destroyed. It had done good service. Without it my whole command would, in all probability, have been lost. General Halleck sent it to me two years ago last March to operate on Current and Black rivers.

* * * * * *

Very respectfully, general, your obedient servant,

F. STEELE,
Major General, Commanding.

Major General H. W. HALLECK,
Chief of Staff.

PONTOON BRIDGE.

Passage of James river by the army under General Grant.

HEADQUARTERS ENGINEER BRIGADE,
Camp at City Point, Virginia, June 24, 1864.

SIR: I have the honor to report, as you will see by the enclosed copy of note from Lieutenant Carroll, at the engineer depot, that the two wooden pontoons which you desired to have made according to my proposed modification are now complete at the depot, and appear to be very satisfactory indeed.

Should you have the time, I shall hope that you will be able to examine them soon, and, if they please you, that you will order all wooden pontoons in the future to be built of that model. It is barely possible, I have thought, that it may be expedient to set the hooks for lashings some three inches more towards the stern to insure somewhat greater buoyancy at the bow.

I presume you will be pleased to hear of the success of our pontoon bridge, over two thousand feet long, over the James river, just above Fort Powhatan, which I had placed there on the evening of the 15th instant by the troops under Captain Mendell and Lieutenant Gillespie, of our corps, about two hundred men, and two companies of the 15th New York volunteer engineers, under Captains Lubey and Henderson, and a fractional company of the 60th New York engineers, under Captain Robbins, two hundred and fifty volunteers, or, in all, four hundred and fifty men.

On the 13th and 14th, in accordance with an order of General Grant, I had sent up the pontoon rafts from Fort Monroe, under the above-named volunteer troops, not feeling then at liberty, from the previous orders of General Meade, to leave my other property and troops to go up myself. But about 11 a. m., on the 15th, I received the order, and was under way in half an hour, arriving at the position selected at about 5 p. m.; there I found General Meade and

General Weitzel, which latter had prepared the approaches and had the abutment commenced. I was at once directly charged with the laying of the bridge by General Meade, with the regulars to assist the volunteers, and he smiled when I told him "I should not sleep till the bridge was laid."

I distributed my men at once, the regulars at the east end, the volunteers at the west end, and a company of volunteers to prepare a part or raft by my plan of simultaneous bays.

At about half past 10 p. m. I received a despatch from General Meade asking the progress of the bridge, to which I was able to reply at once that the last boat was in position, and the raft of three boats built ready to close the gap he had ordered left for the present, and that it was ready for completion in fifteen minutes at any time he ordered.

The gap was closed, but the bridge was not required or used till 6 a. m. the next morning, when the regulars were relieved, and the bridge continued under my care with the volunteers, who carefully watched and repaired it every hour, or oftener, for the seventy-five or eighty hours it was down.

For the next forty hours after 6 a. m. of the 16th a continuous stream of wagons passed over the bridge (from 4,000 to 6,000 wagons)—some said fifty miles of wagons—and nearly all the artillery of this army, and by far the larger portion of the infantry and all its cavalry present, and even to its head of 3,000 or more of beef cattle, (the most injurious of all,) without an accident to man or beast. My officers and men were scarcely allowed any sleep during this time, nor myself as much even as four hours in the eighty hours preceding the taking up of the bridge; for it was in anxiety, not to say trembling, that I saw the destinies of this whole army of our country even committed to this single frail boat-bridge, with steamers and other vessels drifting against it, and with much of its planking previously worn almost entirely through by careless use upon the Rappahannock, and I dared not stop the living stream of men and matter to sheathe or protect it.

At length, by 7 p. m. on the 18th, the last animals were over and I breathed free again; and, although the shelling of our troops across the river just before sunset, within a mile above us, gave us little hope of withdrawing the bridge in safety, it was ordered up and all rafted into three several tows before 3 a. m. of the 19th and on its way to this point, which it reached about sunrise—the most successful effort on a large scale with pontoon-bridging that has ever occurred in our country, if it does not rival those in any other land.

The bridge built over the Chickahominy by this same brigade about two years since was nearly as long as this, but built over a comparatively quiet and shallow stream, at least for nearly its whole extent, and with a great portion on trestles, and it was for but a small portion or one or two corps only of McClellan's army; while this bridge, beside some 200 feet of trestle-work, was, for over 2,000 *feet, in pontoons*, and, for the greater part of the distance, in deep water—in some parts up to 85 feet, with a very strong current running for a great part of the time; and it transported nearly all the material, artillery, and trains, with the greater portion of the men of this large army.

You may be sure I was very well content and satisfied, and felt like "him that putteth off his armor" when the affair was over.

Very respectfully, your obedient servant,

H. W. BENHAM,
Lieut. Col. Engineers and Brig. Gen.

General R. DELAFIELD,
Chief Engineer.

SIEGE OF FORT MORGAN.

OFFICE OF CHIEF ENGINEER, MILITARY DIV. OF W. MISSISSIPPI,
New Orleans, September 9, 1864.

GENERAL: I have the honor to submit the following report of the investment and siege of Fort Morgan by the forces under Major General Gordon Granger, the fleet, under Rear-Admiral D. G. Farragut, co-operating, resulting in its surrender on the 23d of August, 1864:

August 9.—Fort Gaines having surrendered on the 8th, and re-enforcements arriving on the morning of the 9th, we moved our transports, containing about 2,000 troops, and all our siege material then available, to Pilot Town, passing without interruption within two miles of Fort Morgan, and commenced landing at a wharf left in good order by the rebels at about 11 a. m. This was in accordance with the plan laid down in my report, dated August 20, 1864, of our operations against Fort Gaines. In the course of the afternoon our advance was moved up, and occupied a line about 2,000 yards from the fort.

Lieutenants Burnham and Allen, corps of engineers, accompanied a reconnoissance to the front, and discovered a line of trench, extending nearly across the point, constructed by the rebels and abandoned. As considerable work had been done upon this trench which we could utilize with slight changes, and the conformation of the ground was most favorable, it was decided to convert it into a first parallel, and establish in and near it our 30-pounder Parrotts and other long-range guns, including field-rifles, and such long-range smooth-bores as we could borrow from the fleet, although the distance (about 1,400 yards) was greater than desirable. I had directed that these guns should be established within 1,200 yards—a distance admitting sufficient accuracy to dismount guns on the land-fronts of the fort; permitting, at the same time, sufficient curvature to the trafectories to attain the terrepleins of the water-fronts (where there was no provision of parados, and the number of traverses inadequate) both in reverse and enfilade. At night our advance occupied the line of trench.

Urgent duties calling me to division headquarters at New Orleans, I left at night, leaving with Lieutenants Burnham and Allen detailed instructions as to the distribution of guns, working of details of troops, and the other matters relating to the engineering operations of the siege. I directed them to locate the mortars (not yet arrived) about 500 to 800 yards from the fort, placing them immediately behind the sand-hills for their only cover against fire from the fort.

Lieutenant Burnham reports for August 10: That he and Lieutenant Allen staked out the six batteries connected with the first parallel, and commenced work upon them and other parallels.—(See map herewith, marked A.) The two batteries on the right (marked G and H) were designed for four 9-inch Dahlgren guns borrowed from the fleet. The guns were to be brought up in scows along the shore and landed at this point; the sand-hills and ridges, varying from 15 to 25 feet in height, affording complete cover to the landing and its water approach from the fire of the fort. The battery on the left (marked R) was designed for 3-inch rifles, and the others for the eight 30-pounder Parrotts. Sharpshooters pushed up to the line Q E.

Lieutenant Burnham reports for August 11, 12 *and* 13: "Continued work on this line (1st parallel) and the batteries; no incidents happened out of the usual run." During these days the monitors Chickasaw, Winnebago and Manhattan, the two former carrying 11-inch guns and 100-pounder Parrotts, and the latter 15-inch guns, relieved each other at a position a little east of north from the fort, and a distance of 1,800 to 2,000 yards, in throwing shells at the fort, one every half hour, during four or five hours in the morning, and the same length of time in the evening. On one occasion the fire was continual during a portion of the night.

August 14.—I reached Mobile Point and found the left siege gun, battery H, two 30-pounder Parrotts, ready to open fire. The others were all ready for their platforms. Only four mortars had arrived, and these I directed to be placed in position immediately at the points A and B. Our sharpshooters were occupying all the most advanced sand-hills, and in some cases points still nearer the fort, as the ruins near the point P, 250 yards distant. The fire of the fort had annoyed us very little, our sharpshooters rendering it hazardous for the besieged to man their guns which were not in embrasure. We opened fire with the two 30-pounders in position at 6 p. m. by way of trial. Three of the fort's barbette guns appeared to be dismounted and the parapet considerably injured by the fire of the monitors.

August 15.—Work commenced on batteries A and B. At night commenced 2d parallel from the left extremity of sand-ridge, behind which the mortars had been located. Depot for materials established. (See map.)

August 16.—Twelve additional siege mortars arrived, (making 16 in all,) which I directed Captain J. W. Palfrey, corps of engineers, (who had arrived with me from New Orleans,) to locate behind the sand-hills near batteries A and B without delay. Captain Palfrey reports that during the previous night the besieged had placed upon the chases of some of their guns rope-mantelet rings, and many sand-bags (for the protection of sharpshooters in the covered way) upon the crest of the glacis. Materials came up rapidly to the depot (see map) with perfect security, both by the beach in wagons, and by scows skirting along the shore, the sand-hills affording good protection from the fire of the fort.

Returned to headquarters military division in the evening, leaving Captain Palfrey in charge of engineering operations, with instructions to sacrifice everything necessary to the completion of the mortar batteries, believing that the surrender of the fort would follow within 48 hours after they should open fire. This belief was based upon the manner in which the defence had been conducted, and my knowledge of the existence of the barracks, composed in part of wood, and not bomb-proof, in the parade of the fort.

During the night the parallel was finished half way across the point, a road leading to it from the north beach finished, and work continued on the mortar batteries, the besieged keeping up a heavy artillery fire all night, without producing material injury, however.

August 17.—Battery G finished; ready for two 9-inch guns (navy,) and all the guns mounted in the other batteries connected with the 1st parallel, except battery F. Work at 2d parallel going on well.

August 18.—2d parallel extended around to point P, and battery for two light 12-pounder Napoleon guns located and commenced at point O in advance. Two batteries, for two mortars each, commenced at points E and K. The four 9-inch navy guns landed, and two of them going into their position at G. Platforms for twelve mortars completed at A, B, C, D and L, and the mortars in the course of mounting upon them. Work everywhere going on briskly during the whole day and night; no annoyance from the fort. Magazine lumber came up by barges during the night.

August 19.—Mortars and magazines in rapid preparation. Battery at P for two 3-inch rifles; one at Q for two light twelves, and two at M and N for two 30 pounders each, were commenced, in case it should be found desirable to bring up any of the rifled guns from 1st parallel after opening fire. A heavy storm during the latter part of the night, rendering work almost impossible.

August 20.—Storm continued and work nearly stopped for the morning. At night the magazine for battery at G was completed, and all others well under way.

Captain Palfrey reports for August 21: "The storm had made the parallel (2d) very wet in some places, where it could not be well drained." "The magazines, platforms, and batteries for all the guns and mortars on hand were com-

pleted, and everything pertaining to the engineer department ready for opening fire; the ordnance was in position." Lieutenant Burnham reports that "about 8.45 p. m. the fort opened fire upon us, throwing grape, and canister, and shells in all directions, probably with the intention of drawing our fire, but in which they did not succeed."

As herein reported for the 11th, 12th and 13th, the monitors continued to relieve each other, up to this time, in throwing an occasional shell at the fort * * * * * * I believed, in view of various circumstances, as before stated, that our sixteen mortars *could alone* produce the surrender within forty-eight hours after they should open fire. As the enemy manifested little disposition to seriously annoy us—his gunners well under the eye of our sharpshooters, and our cover natural and artificial, excellent—there seemed to be little reason for battering the fort, armament and light-house, at least before the mortars were ready to open, thus increasing the cost of repairs after the surrender.

Our revetments were all of sand-bags, some of which we obtained from the abandoned rebel "battery Ghee," situated on the south shore of the point about 2,800 yards from the fort, and designed as an advanced work to command approaches not seen by the fort.

Captain Palfrey reports, August 22: "At daylight fire was opened on the fort from four 9-inch Dahlgrens, eight 30-pounder Parrotts, four light twelves, two 3-inch Rodmans, twelve 10-inch siege mortars, and four 8-inch siege mortars. The monitors Manhattan, Chickasaw, and Winnebago, and the captured Tennessee, (eight 7-inch rifles,) fired at the fort at short range, and the large rifle guns of the rest of the fleet at long range. The fire was very accurate, and the effect of the heavy shells from the navy guns, both ashore and afloat, apparently very great. After they had once got the range the fire of the mortars was admirable. The rate of fire at first was once in fifteen minutes, which slackened towards noon, and was resumed towards sundown. All our works stood well. The 9-inch guns blew out the throats of their embrasures, which were repaired without stopping their fire. * * * No artillery was fired from the fort. Two volleys of musketry were fired from the southeast salient of the covered way, but this fire was silenced by our sharpshooters, and a few rounds of artillery in the afternoon. Two 30-pounder Parrotts from the 1st parallel were moved up to replace the two light twelves on the left. These were advanced on parallel to 250 yards from the coverd way, and the two 3-inch Rodmans put in battery on their right. The men worked by daylight on the fort side of these batteries without annoyance from the fort. Orders were given for only three mortars to fire after dark. At night an approach, zigzag, was started from the left extremity of the 2d parallel, under direction of Lieutenant Allen, but not finished to any distance on account of the wet character of the ground. About 9 p. m. a fire broke in the fort and continued steadily and slowly all night. After it broke out our artillery opened upon it briskly."

August 23.—"Captain Palfrey reports that a white flag was brought out of the fort about 7 a. m., and the surrender was agreed upon to take place about 2 p. m." "The fire proved to be the barracks in the parade, which continued to burn all day. * * * * * * * * * No casemate arches were broken, and no magazines injured. Our 3-inch rifles had broken the carriages of a 10-inch and 8-inch columbiad in front of them.

"The principal obstacle to overcome was the transportation from the wharf at Pilot Town, which the sand made very laborious for teams, and the sand spits precarious for boats. This labor made the working parties in the trenches necessarily small; they averaged 200 men night and day, in twelve-hour tours, in one instance 300."

I made a thorough examination of the fort between the 27th and 31st of August, before anything had been disturbed subsequent to the surrender. The

enclosed tracing, (marked B,) copied from a captured rebel drawing, indicates the two principal changes made by the rebels, I presume, from the original arrangement as laid down upon the drawings furnished by the engineer department, viz: the maskings of the casemates of curtains four and five, and the exterior water battery added. I found the armament somewhat different from that indicated on the tracing—not very materially, however. It is seen that 16 guns (counting those on retired flank at light-house) bear on the land approaches.

There were no guns in embrasure, and no parados, the width of terreplein not permitting the latter. The guns were pretty well protected by traverses, against fire *from the water*, but not *from the land*. The non-destruction of the barracks in parade, as a preparation for siege, indicates that, if a land attack was expected at all, it was not expected to involve vertical fire.

The garrison did very little work after the opening of our trenches, and, although the work was in a feeble condition to resist a land attack, it is my opinion that the defence was not conducted up to its capacity, such as it was. It is, I think, legitimate to suppose that the garrison were somewhat demoralized by the successful passage in of the fleet, and the rapid fall of the other two forts, Powell and Gaines.

Twelve of the barbette guns were disabled; some had trunnions knocked off and carriages broken by our thirty-pounder Parrotts; some their carriages picked to pieces by our three-inch rifles; the others had carriages smashed by mortar shells, and by the navy (Dahlgren) guns both afloat and ashore, taking them in enfilade and reverse by their distant curved fire. The barracks were in ruins, nearly all the wood-work burnt out, fired by our mortar shells; the light-house nearly in ruins. The fire of the very large projectiles of the navy was very accurate and effective, damaging the fort as well as the guns and carriages.

The garrison had used sand-bags freely in stopping up some of their casemates to the rear for quarters, and in protecting their principal magazines towards the parade.

The efficiency of the land defence here was much abridged by the fact that we could approach under perfect cover to within 500 yards of the fort behind the sand-hills along the north shore, and the ridge near the south shore, and there establish our batteries, without striking a shovel into the ground in the approach.

Very respectfully, your obedient servant,

M. D. McALESTER,
Corps of Engineers, Chief Engineer, M. D. W. M.

Brigadier General R. DELAFIELD,
Chief Engineer, Washington, D. C.

SIEGE OF FORT GAINES.

OFFICE OF CHIEF ENGINEER,
MILITARY DIVISION OF WEST MISSISSIPPI,
New Orleans, August 20, 1864.

GENERAL: I have the honor to submit the following brief account of the very brief investment of Fort Gaines by our combined land and naval forces, resulting in its fall:

The first plan of operations which was fully matured against the forts at the entrance to Mobile bay contemplated a landing of 3,000 men upon Mobile Point from the outside, opposite Pilot Town, (three miles from Fort Morgan,)

simultaneous with the passage of the fleet into the bay. A sufficient force was to move immediately to a position at certain range of Fort Morgan for rifled guns and sea-coast mortars, (say a mile or $\frac{3}{4}$,) there intrench itself, and open fire on the fort with all our rifled artillery and mortars, (eight thirty-pounders, six three-inch Rodmans, and two mortars,) in conjunction with the fleet.

The remainder of the force was to intrench itself across the spit at Pilot Town against approaches from the main bank. A reserve of 1,500 men, with rifled field artillery, was to be held on board ship in the Mississippi sound, (inside Dauphin island,) some portion of it to land with artillery, if not required elsewhere, and move up and annoy Fort Gaines, in conjunction with the fleet, after its passage into the bay. With these dispositions, the fleet occupying all the waters about the forts, a glance at the map will show you that Forts Morgan, Gaines, and Powell would be separately and collectively closely invested. No siege, regular approaches, and breaching batteries was contemplated; we had not the means, nor was it deemed necessary.

An emergency temporarily directed 3,000 of the force to another point, leaving only 1,500 men for the expedition, and the following change was made in the plan: The whole force, including all the artillery, to land on Dauphin island, and go into position against Fort Gaines, as had been proposed against Fort Morgan, the fleet (a portion of it having run into the bay) from the sound, the bay, and the anchorages outside, concentrating all its efforts against Forts Gaines and Powell. The fall of one or both of these forts would open communication with the portion of the fleet inside, and enable us (re-enforcements arriving) to enter the bay with troops, effect a landing at Pilot Town from the cove, and then to proceed against Fort Morgan exactly as proposed in the first plan.

We landed on Dauphin island, seven miles from Fort Gaines, at 4 p. m. on the 3d of August. On the 4th, at 10 a. m., our line of sentinels being within 1,200 yards of the fort, I established a line of intrenchments and batteries across the island, (see sketch herewith,) and at 4 p. m. work was commenced. During the night we got up six three-inch Rodman guns, and put them in position in the sand ridge.

On the 5th, at sunrise, the fleet (four monitors and fourteen wooden ships, twelve wooden ships and gunboats remained outside the bar) started on its way by the forts, and we opened fire upon Fort Gaines with the three-inch guns. The fort replied warmly, but did no damage. Three monitors and the fourteen ships reached the bay in safety. After the entrance of the fleet, and while it was engaged with the ram Tennessee, Fort Gaines opened upon it with two ten-inch columbiads which bore upon the scene of action. These we shortly silenced by our field guns from the sand-hills, which saw the columbiads (unprotected by parados or traverses) fairly in reverse and flank.

On the 6th the double turreted monitor Winnebago, four eleven-inch guns, approached to within a half mile of Fort Gaines, and opened fire upon it with very good effect, bursting many shells over it and taking the opposite sides of the fort, well in reverse, (no parados or traverse.) The fort replied with two ten-inch guns, but did not hit the monitor. At night Fort Powell was blown up and abandoned by the enemy.

On the 7th we were nearly ready to open fire with four thirty-pounders and the six field guns, and the infantry trench was nearly complete, giving considerable cover.

On the 8th, at 10 a. m., Fort Gaines surrendered to our combined land and naval forces unconditionally. The garrison consisted of 818 officers and men. The armament was four ten-inch columbiads, two seven-inch Brooks rifles, twelve or fifteen smooth-bores, (twenty-four and thirty-two pounders,) and five or six flank casemate howitzers. There was an abundant supply of ammuni-

tion, and rations for two months. Two ten-inch guns and six twenty-four-pounders bore upon the land approach.

I found the fort in excellent order, finished fully up to the plan in possession of our engineer department, a copy of which I have. But, with its guns lying over the crest of the parapet, without merlons, traverses, or parados, for their protection, or splinter-proofs for the protection of the cannoniers, it was utterly weak and inefficient against our attack, (land and naval,) which would have taken all its fronts in front, enfilade, and reverse. With our guns in the sand ridge, we would have placed every shot upon the terrepleins of the opposite fronts. This sand ridge (indicated on the coast survey maps) extends along the southern shore of the island, and affords a perfect cover up to a point of about 400 yards from the fort. Its height varies between fifteen and thirty feet, the crest of the fort being in reference twenty-seven. The garrison had commenced four heavy traverses, but had made little progress with them. It is probable we should have dismounted the guns before they could have been covered. The construction of good traverses, merlons, and parados, that shall not take up too much room, is a matter of considerable time and labor, if the material has to be brought from any distance and elevated to high terrepleins, as was the case at Fort Gaines.

It was easy for us to land our guns, take them to the front, put them in battery and open fire, before the defence could get its guns under cover.

I send a map of Dauphin island herewith, with my line of works laid down. The left is thrown back in consequence of the enemy occupying Little Dauphin island with artillery.

Very respectfully, your obedient servant,

M. D. McALESTER,
Corps of Engineers, Chief Engineer.

Brigadier General R. DELAFIELD,
Chief Engineer, Washington, D. C.

MINE AT PETERSBURG

HEADQUARTERS 2D BRIGADE, 2D DIVISION, 9TH ARMY CORPS,
Near Petersburg, Va., August 2, 1864

SIR: I have the honor to submit the following report of the mine I excavated in front of the 2d division of the 9th corps.

It was commenced at 12 m. the 25th of June, 1864, without tools, lumber, or any of the materials requisite for such a work. The mining picks were made out of those used by our pioneers; plank I obtained at first by tearing down a rebel bridge, and afterwards by sending to a saw-mill five or six miles distant, and the material excavated was carried out in hand-barrows constructed out of cracker boxes.

The work progressed rapidly till the 2d of July, when it reached extremely wet ground; the timbers gave way and the roof and floor of the mine nearly met. Re-timbered it and started again. From this point had to excavate a stratum of marl whose consistency was like putty, and which caused our progress to be necessarily slow. To avoid this, I started an inclined plane, and in about 100 feet rose 13½ feet perpendicular.

On the 17th of July the main gallery was completed, being 510$\frac{5}{10}$ feet in length. The enemy having obtained information of the mine, and having commenced searching for it, I was ordered to stop operations, which were, however, recommenced on the 18th of July, by starting the left lateral gallery.

At 6 p. m., July 18, commenced the right lateral gallery; but, as the enemy could be plainly heard working over us in the fort, I caused this gallery to be excavated a little beyond and in rear of their works, and gave it a curved line of direction.

The left lateral gallery, being 37 feet long, was stopped at midnight July 22; the right lateral gallery, being 38 feet long, was stopped at 6 p. m. July 23. The mine could have been charged and exploded at this time. I employed the men from that time in draining, timbering, and placing eight magazines in position, and having received the order to charge the mine on the 27th of July, I commenced putting in the powder at 4 p. m. and finished at 10 p. m.

The tamping was begun at 10 p. m. July 27, and completed at 6 p. m. July 28; 34 feet of main gallery was tamped, and 10 feet of the entrance of each of the lateral galleries; but the space between the magazines was left clear of tamping.

I received orders from corps headquarters on the 29th July to fire the mine at 3½ o'clock a. m. July 30. I lighted the fuze at 3¼ a. m., and having waited till 4¼ a. m. without any explosion having taken place, an officer and a sergeant of the 48th Pennsylvania regiment volunteered to go in and examine into the cause of the delay. It was found that the fire had stopped where the fuzes were spliced. They were relighted, and at 16 minutes of 5 a. m. the powder exploded. The charge consisted of 320 kegs of powder, each containing about 25 pounds. It was placed in eight magazines connected together by wooden tubes half filled with powder. These tubes met from the lateral galleries at the inner end of the main gallery, and from this point I placed three lines of fuzes for a distance of 98 feet. Not having fuzes as long as required, two pieces had to be spliced together to make the requisite length of each of the lines.

The mine was ventilated at first by having the fresh air go in along the main gallery as far as it was excavated, and to return charged with all the gases liberated from the ground and generated in the mine in a square tube made of boards, and whose area was 60 inches. This tube led to a perpendicular shaft (22 feet high) out of which the vitiated air escaped. At the bottom of this shaft was placed a grating on which a fire was continually kept burning, which by heating the air air rarefied it and increased its current. Afterwards I caused the fresh air to be led in the above-mentioned tube to the end of the work, and the vitiated air to return by the gallery and out at the shaft, placing a partition to prevent its exit by the entrance of the mine. The latter plan was the best because the gases had to travel a less distance in the mine before they left it than before.

The mine was excavated by the enlisted men of the 48th Pennsylvania regiment. As the excavation progressed the number of men required to carry out the earth increased, until at last it took nearly every enlisted man in that regiment, which consisted of nearly 400 effective men.

The whole amount of material excavated was eighteen thousand (18,000) cubic feet. The great difficulty to surmount was to obtain the exact distance from the entrance of the mine to the enemy's works, and the course of these works. This was accomplished by making five separate triangulations with a theodolite instrument, and taking their mean. These triangulations were made in our most advanced line of works and within 133 yards of the enemy's line of sharpshooters.

The size of the crater formed by the explosion was at least two hundred (200) feet long, fifty (50) feet wide, and twenty-five (25) feet deep. I stood on top of our breastworks and witnessed the effect of the explosion on the enemy. ot so completely paralyzed them that the breadth of the breach, instead of being Iuly two hundred feet was practically four or five hundred yards. The rebels in n r, orts both on the right and left of the explosion ran away, and for over an efthhoas well as I could judge, not a shot was fired by their artillery. There

was no fire from infantry from the front for at least half an hour; none from the left for twenty minutes, and but few shots from the right.

The accompanying drawings, which I have made and forward with this report, will explain whatever may have been omitted by it.

I am, colonel, very respectfully, your obedient servant,

HENRY PLEASANTS,
Lieut. Col. 48th Pa. Vol. Inf., Com'g 2d Brig. 2d Div. 9th A. C.

Lieutenant Colonel LEWIS RICHMOND,
Assistant Adjutant General 9th Corps.

Official:

LEWIS RICHMOND,
Assistant Adjutant General.

A true copy:

J. H. OBENTEUFFER, JR.,
Lieutenant and A. A. A. G.

Forwarded to Engineer department with letter of August 25, 1864.

J. G. BARNARD,
Brevet Major General, Chief Engineer.

REPORT ON THE MILITARY ACADEMY.

The Military Academy has continued to fulfil the purpose for which it was created, by collecting and procuring from all nations the arts and sciences connected with the defence of our country, and imparting the knowledge of them, so far as it is applicable to our people, to the cadets enjoying the benefit of a military education at this national institution.

The arm of service at this time calling for special attention is the artillery, which is still undergoing great modifications, both for land and sea-coast application. The superintendent has asked an appropriation for this branch, to enable him to lay before the student the various appliances that late wars have introduced, many of which serve to impart useful information, while numerous others are valuable in guarding against the immense expense attending devices that have proved, on trial, to be failures—a degree of knowledge which is the saving of immense treasure if we profit by this experience.

I commend the subject to your most favorable consideration, with the belief that a storeroom for artillery and small-arms of all kinds has now become, more than ever, an object of immense importance to the military profession.

The examination of the cadets of the academy was held, as usual, in the month of June.

Twenty-seven cadets were graduated, and have entered the army.

The report of the board of visitors, who attended the examination, has not yet been received at this bureau.

A list of the officers of the institution is appended.

All of which is respectfully submitted.

RICHARD DELAFIELD,
Brigadier General and Chief Engineer.

Hon. E. M. STANTON,
Secretary of War.

REPORT OF THE COMMISSARY GENERAL OF SUBSISTENCE.

OFFICE COMMISSARY GENERAL OF SUBSISTENCE,
Washington, October 14, 1864.

SIR: In compliance with the special instructions of the War Department of September 15, addressed to chiefs of bureaus, I have the honor to submit the following report of the operations of the subsistence department during the past year.

The supplies of subsistence stores for the army have been mostly procured in the markets of Boston, New York, Philadelphia, Baltimore, Washington, Cincinnati, Louisville, Chicago, and St. Louis, and forwarded from these points to the principal depots for the several armies in the field, whence they have been distributed to minor, less permanent, or more advanced depots, according to the varying wants and positions of the troops. Subsistence stores to a limited extent have also been purchased at many other points when required for local issues.

Fresh beef has been, for the most part, supplied to the troops in the field by furnishing beef cattle purchased under contract; receiving them from the contractors at convenient points of delivery, and thence driving them to and with the armies in such numbers as has been required by the proper authority. Troops not in the field, and so stationed as to render it practicable, have been supplied with fresh beef at a stipulated price per pound, under properly executed contracts.

The supplies purchased by this department have in great part been procured by advertising for bids, and accepting the lowest that offered the proper articles. Of those component parts of the ration which are staple commodities of domestic production, and of which there are usually large quantities in most of the great markets of the country, from which the public wants are readily met, it has not been deemed necessary to accumulate and keep on hand very large quantities; but as these articles are mostly of a perishable nature, the course adopted, so far as practicable, has been to enter the markets monthly for the stores required to be forwarded to the troops. By this course a very small proportion of the provisions purchased by the army become damaged by age, and the troops are subsisted upon newly purchased and sound stores.

Subsistence stores being, in the language of commerce, "cash articles," the proper officers of the government have appreciated the necessity the subsistence department is under of making early payment for its purchases, and accordingly have generally enabled the purchasing officers to pay their bills with great promptness. The smooth working of the affairs of this department during the past year has been largely owing to this.

In obtaining the large amount of subsistence stores required for the army, the effort has been made to procure them in such manner as not greatly to disturb the markets of the country, and to avoid subjecting contractors to heavy losses or great hazard. This has been effected by making contracts of short duration, and by falling into the ordinary commercial usages of trade, with as little deviation therefrom as possible.

The fact that the market for the past year has not been left entirely to the ordinary and healthful laws of trade, but has been occasionally greatly disturbed by adventurers and speculative dealers, and, in some instances by attempts more or less successful, on the part of individuals or associated houses, to monopolize, and thus control the prices of particular articles, has resulted in enhancing the prices of some commodities much beyond what would otherwise have governed. This has at times given the purchasing officers much difficulty in obtaining the requisite supplies at satisfactory rates.

It is believed, that at nearly all times, and at every point, the troops have been supplied with an abundance of good and wholesome food, and that if in the movements of our armies a temporary want has occasionally existed, it has not been due to causes over which the officers of this department had control.

The reduction of the ration by the act of June 20, 1864, to the ration as it existed before the act of August 3, 1861, is proved to be a measure of economy, whilst it provides the soldier with a sufficient quantity of food. Some officers familiar with the subject are of opinion that the ration may be improved without adding materially to its cost, in which opinion I incline to concur.

In addition to the troops, subsistence has been furnished to all prisoners of war, to large numbers of contrabands, and to suffering Union families found by our armies in the rebel States.

As a general thing, those persons who have entered into obligations to supply this department have met their engagements with commendable promptness and fidelity; whilst the thoroughness of the inspections made by all the principal purchasing officers has rendered it nearly impossible that bad supplies could be issued to the troops.

Salt fish, in considerable quantity, has recently been issued, and, as is believed, has conduced so the health and satisfaction of the troops.

The officers of this department, regulars and volunteers, have, with but few exceptions, performed their duty with credit to themselves and with advantage to the public service.

The very important and responsible duty of purchasing and forwarding the subsistence stores required for the several armies has been accomplished with complete success, and deserves appropriate commendation.

The depot and field services of those officers of the department who have had the principal charge of receiving and distributing supplies to the various armies in the field have been performed with zeal and success, and entitles the officers performing them to special and favorable notice.

During the fiscal year ending June 30 there were examined in this bureau, and referred to the Third Auditor for final settlement, fifty-two thousand five hundred and eighty-two quarterly or monthly accounts relating to funds, subsistence stores or other property.

On recently taking charge of this bureau I found the current work of the office fully up to the day, and the examination of money accounts not more than one month, and that of the provision returns and property accounts not more than three months' behind. These facts, together with the general good condition and management of the affairs of this bureau during the past year, are a credit to the officers having chief control of its principal office, and the general management of the department. While the officers of this department mourn the loss of their late chief, Brigadier General Joseph P. Taylor, they are thankful that, like his predecessor in office, Brevet Major General George Gibson, he was a faithful officer and an honest man.

With great respect, your most obedient servant,

A. B. EATON,
Commissary General of Subsistance.

Hon. EDWIN M. STANTON,
Secretary of War.

REPORT OF THE JUDGE ADVOCATE GENERAL.

WAR DEPARTMENT, BUREAU OF MILITARY JUSTICE,
Washington, D. C., March 2, 1865.

SIR: I compliance with your directions, the following report of the transactions of this bureau is respectfully presented.

On the 2d of November, 1863, in a report then called for, a general summary of the business despatched by the office during the preceding fourteen months was given in substance as follows:

Number of records of general courts-martial and military commissions reviewed 17,357

Number of reports made as to the regularity of proceedings on applications for restoration to the service, the pardon of offenders, the remission or commutation of sentences, and upon miscellaneous questions referred to this office 2,490

The following tabular statement shows the operations of the office since the date of that report, a period of sixteen months:

Number of records of general courts-martial and military commissions reviewed 33,896

Number of reports made as to the regularity of proceedings on applications for restoration to the service, the pardon of offenders, the remission or commutation of sentences, and upon miscellaneous questions referred to this office 9,340

As will appear from the foregoing statistics, the business of this bureau has rapidly increased during the past year. The various officers on duty here have performed their labors with faithfulness and ability, while the new organization given to the office under the act of last session has, as was anticipated, added much to the efficiency of its operations. A digest of the opinions of the Judge Advocate General upon current questions of military law, which has been published and distributed throughout the army, will, while affording valuable instruction to inexperienced officers, contribute to produce that uniformity of decision and action so much to be desired in the administration of military justice.

All of which is respectfully submitted.

J. HOLT,
Judge Advocate General.

Hon. E. M. STANTON,
Secretary of War.

REPORT OF THE PROVOST MARSHAL GENERAL.

WAR DEPARTMENT, PROVOST MARSHAL GENERAL'S OFFICE,
Washington, D. C., November 15, 1864.

SIR: I have the honor to submit the following report of the operations of the Bureau of the Provost Marshal General of the United States, including the Volunteer Recruiting Service and the Veteran Reserve Corps, since November 1, 1863, the date to which my last annual report was brought up.

The general plan for conducting the business, as laid down in the regulations approved by you on the 21st of April, 1863, is still observed. The acts of Congress approved February 24, July 1, and July 4, 1864, and experience gained during the past year, have suggested certain modifications in the details, which have been made and put in force.

THE ENROLMENT.

The enrolment is a record of that part of the national forces not in service. It gives the names of those men who are liable to be called upon for duty in the army, navy, or marine corps, by lot or draft. It is by law the basis for determining the proportion of troops to be furnished by the different parts of the country. It is therefore important that the lists should be as nearly correct as it is practicable in the nature of things to make them. The habits of our people, and the large floating population of the country, have, however, *heretofore* rendered it exceedingly difficult to make progress in perfecting the lists. The original act, approved March 3, 1863, contemplated an enrolment but once in two years, but very soon after the first draft was made, the necessity for a revision of the lists became apparent, and on the 17th of November, 1863, it was announced from this Bureau that, "as complaints have been made that errors have occurred in the enrolment of the national forces, by the omission of persons whose names should have been enrolled, and by the addition of names of persons who, by reason of alienage and for other causes, ought not to have been enrolled, and as it is desirable that the department should have such information as may be necessary in order to do full justice to all parties," it was ordered that the officers of the Bureau make all the corrections in their power, and have the enrolment lists printed and posted throughout the districts, and invite the public to point out errors or omissions, with a view to their correction before the draft fixed for the following January. Under this order the officers of the Bureau made corrections as far as they could, but the people generally did not, *at that time*, seem to appreciate their interest in perfecting the lists, and gave but little aid in the work.

On the 25th of June, 1864, under the provisions of section 6 of the amendatory enrolment act, approved February 24, 1864, further orders were issued for perfecting the enrolment lists, and "the revision and correction of these lists" was made "a continuous duty, to which the labors of all boards must be directed." The Boards of Enrolment were ordered to "have copies of the enrolment lists open to the examination of the public at all proper times;" "civil officers, clergymen, and all other prominent citizens," were "invited to appear at all times before the Board, to point out errors in the lists, and give such information as might aid in the correction and revision thereof." At the time these instructions were issued, the draft of 1863, on the original enrolment, had been completed, and the draft which began May 1, 1864, for deficiencies

on the calls of February 1 and March 14, 1864, was in progress, and it began to be apparent that it is plainly for the interest of each town, ward, &c., to have stricken from the lists all names improperly enrolled, because an excess of names increases the *quota* to be called for from such town, ward, &c.; and that it is equally for the interest of each person enrolled in a given town or ward to place upon the lists all persons in his town or ward liable to do military duty, because the greater the number to be drawn from the less the chance that any particular individual will be drawn, and hence some corrections were made. But since the fairness of this method of raising troops has become properly understood, a higher motive than selfish interest has stirred the hearts of the people, and many who at first evaded, or stood aloof from the enrolment, are now unwilling to go through this national struggle, without at least having their names recorded among the national forces as ready to serve their country when called upon in the manner prescribed by law. Hence the enrolment lists are now being corrected as rapidly as possible under existing laws. Under the call of July last quotas were assigned on the enrolment as it stood at that time; but where it has been since *reduced* by the correction of errors in any district, a corresponding reduction has been made in the quota whenever it could be done without delaying the draft.

Since July 1, 1864, 130,000 names have been added to the enrolment list, and 285,398 names stricken off. The enrolment shows the national forces not called out up to November 1, 1864, to consist of 2,784,226 men.

THE DRAFTS.

THE DRAFT OF 1863.

At the date of my last report the draft for the year 1863—the first made under the enrolment act—was not completed, and its results were therefore but partially reported. A table herewith, marked I, shows in detail the final results of that draft.

The quota actually drafted for was		194,962
The number reported and examined, 50 per cent. additional having been drawn		253,024
The number who failed to report		39,417
The number exempted for physical disability	81,387	
The number exempted for other causes under the law	83,500	
		164,857
The men held to personal service	9,848	
The number furnished substitutes	26,002	
		35,850
The number paid commutation		52,287
Total obtained		88,137

The officers, as a general thing, having faithfully performed their duties, the fact was established by the above record, that this law, without amendment, could not be depended upon to recruit the armies.

THE DRAFT OF 1864, FOR DEFICIENCIES UNDER CALLS OF FEBRUARY 1 AND MARCH 14, 1864.

On settlement of the accounts for volunteers raised on the calls prior to April 15, 1864, the date finally designated as the time up to which the numbers required under the calls of February 1 and March 14 might be raised by voluntary enlistment, it was found that nine States were in excess of all calls, and twelve States were deficient—the deficiency amounting in the aggregate to 50,367. Drafts for this deficiency were commenced on the 1st of May, 1864, and were continued until the required number was obtained from each district, or until the operations were necessarily suspended, July 31, to give place to the business under the call of July 18, 1864. This draft was made under the act approved February 24, 1864, and was conducted without serious opposition or difficulty. The results of it are shown in detail in table marked II herewith.

The total deficiency drafted for was		50,367
The number reported and examined		85,861
The number exempted for physical disability	21,446	
The number exempted for other causes	19,648	
		41,094
The number held to personal service	3,418	
The number furnished substitutes	8,903	
		12,321
The number who paid commutation		32,446
Total obtained		44,767

From which it will be seen that, at the time this draft was closed, July 31, there was an aggregate deficiency of but 5,600 in all the States. This aggregate was made up of the deficiencies of ten different States, so that the amount due from each was very small. The call of July 18 for 500,000 men may be said to have been made, with some of the States in excess of all previous calls, and without a material deficiency in any. In filling these calls, however, but a small *proportion* of men was obtained *by draft*, as appears above, the quotas drafted for being filled according to law, if the required number paid commutation.

THE DRAFT OF 1864, FOR DEFICIENCIES UNDER CALL OF JULY 18, 1864.

As required by section 2 of the act approved July 4, 1864, the draft under call of July 18, 1864, was commenced in all the deficient sub-districts, as soon as practicable (to wit, September 19) after the expiration of the fifty days authorized for filling quotas by volunteering. Threats to resist this draft by force of arms were made in various quarters of the country. In several places parties of men were bivouacked in the woods, partially organized and armed with pistols and shot-guns, for the avowed purpose of preventing the execution of the law. The draft has been made without resort to military force on the part of the government, and the examination of the men is in progress, and no serious resistance has been offered. It is only just to the officers acting under this Bureau in the different States to say, that the unflinching determination manifested by them to carry out fully and fairly the orders of the government, and the good judgment and fairness they have shown in doing so, have contributed in no small degree to this favorable result.

The state of this draft, as far as reported to November 1, is as follows:

Number reported and examined		72,432
Number exempted for physical disability	20,332	
Number exempted for other causes	19,697	
		40,029
Number held to personal service	19,058	
Number furnished substitutes	13,345	
Total obtained		32,403

VOLUNTEER RECRUITING SERVICE.

On the first of February, 1864, a call was made for 500,000 men, with the condition that there should be credited on it all the men raised by draft in 1863, as well as the volunteers under the call of October 17, 1863, for 300,000 men, and all other men not before credited. This call, therefore, absorbed and formed the total of all calls then subsequent to the calls of 1862.

On the 14th of March, 1864, a call was issued for 200,000 more men, and a draft ordered to commence as soon after the 15th of April as practicable for any deficiency which should be found to exist on that date. The draft for deficiencies was accordingly commenced on the 1st of May, and conducted as stated in this report under the head of DRAFTS.

The number of men called for, between September 1, 1862, and July 17, 1864, was:

February 1, 1864		500,000
March 14, 1864		200,000
Total		700,000
These calls were answered as follows:		
Reductions in quotas after their distribution among the States	45,274	
Reduced by credits on account of excess, June 1, 1863, over all quotas previously assigned	119,011	
Reduced by credits subsequently allowed by adjustment of accounts and rectification of returns	43,890	
Reduced by credits on account of seamen enrolled, (as required by section 2 of the act approved February 24, 1864,)	5,618	
Reduced by credits on account of drafted men who paid commutation money	84,733	
Total reductions		298,525
Leaving the number of men to be obtained		401,475
Accounted for as follows, viz:		
Credits on account of veterans who re-enlisted while still in service	136,507	
Credits on account of drafted men and substitutes put into service	48,171	
Credits on account of men enlisted into the regular army between June 1 and July 1, 1864	7,776	
Credits on account of volunteers from June 1, 1863, to June 30, 1864, new enlistments	339,599	
Total men obtained		532,053
Excess carried forward and credited on call of July 18, 1864		130,578

On the 18th of July, 1864, a call was made for 500,000 men for one, two, or three years' service, with the proviso that said call should be reduced by all credits which might be established under section 8 of the act approved July 4, 1864, on account of persons who have entered the naval service during the present rebellion, and by credits for men furnished to the military service in excess of calls previously made, and by reductions on account of corrections made in the enrolment after quotas were assigned. The condition of this call on the 1st of November, 1864, was as follows:

Total amount of call		500,000
Reduced as required by section 8 of act approved July 4, 1864, for persons who have entered the naval service since the beginning of the rebellion	67,436	
Reduced by excess on prior calls	130,578	
Reduced by corrections of enrolment after quotas had been assigned	18,394	
Total reductions		216,408
Leaving the number to be obtained		283,592
Accounted for as follows:		
Credits on account of actual enlistments in the navy and marine corps from February 24 to November 1, 1864	24,683	
Credits on account of volunteers from July 1 to November 1, 1864	158,443	
Credits on account of enlistments into the regular army from July 1 to November 1, 1864	6,095	
Credits on account of drafted men, and substitutes for drafted men and men liable to draft, from July 1 to November 1, 1864	61,597	
Total obtained		250,818
Remaining to be obtained November 1, for which drafts are still being made, as shown under head of *drafts* in this report		32,774

The foregoing statement of troops mustered into service embraces the colored troops raised in the loyal States, but does not include those raised in Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Louisiana, Mississippi, Tennessee, Arkansas, and Texas.

The number of colored troops raised in these States is reported by the Chief of the Bureau of Colored Troops, as follows:

Number raised in the rebel States named prior to January 7, 1864	36,158
Number raised in the rebel States named subsequent to January 7, 1864, and to latest dates	22,143
Total	58,301

THE RE-ENLISTMENT OF VETERAN VOLUNTEERS.

As early as June, 1863, instructions were issued with a view to securing the re-enlistment of the veterans in service whose terms were to expire during the succeeding year. Previous to the date of my last report but partial success had attended this measure, mainly from the fact that the men were in doubt as to whether they would be permitted by commanders in the field to visit their

homes before commencing service under a new enlistment. On the 21st of November your General Order 368 was published as follows:

"It is hereby *ordered* that volunteers, now in service, re-enlisting as veteran volunteers under General Orders 191 from this office, shall have a furlough of at least thirty days previous to the expiration of their original enlistment. This privilege will be secured to the volunteers, either by ordering all so re-enlisting, with their officers, to report in their respective States, through the governors, to the superintendent of the recruiting service, for furlough and reorganization, or by granting furloughs to the men individually.

"Mustering officers shall make the following stipulation on the muster-in rolls of veteran volunteers, now in service, re-enlisting as above:

"To have a furlough of at least thirty days in their States before expiration of original term."

All doubt as to furlough was thus removed, and the plan for re-enlisting veterans was instantly vitalized, and proved eminently successful. Over a hundred and thirty-six thousand tried soldiers, who would otherwise ere this have been discharged, were secured for three years longer; organizations which would have been lost to the service were preserved and recruited, and capable and experienced officers were retained in command. The force thus reorganized and retained has performed an essential part in the great campaigns of 1864, and its importance to the country cannot be overestimated.

ENLISTMENTS FOR NAVAL SERVICE AND MARINE CORPS.

Section 9 of the act approved February 24, 1864, and section 3 of the act of July 1, 1864, require that credits shall be given for enlistments into the naval service or marine corps during the present war, in the same manner as enlistments for the army.

Under this act credits have been allowed as follows, viz:

For men enlisted in the naval service between February 24 and November 1, 1864	22,930
For men enlisted in the marine corps between February 24 and November 1, 1864	1,753
Total	24,683

RECRUITING IN STATES IN REBELLION.

[Under section 3 of the act approved July 4, 1864.]

The law authorizing recruiting in the rebel States was published on the 6th of July; on the 9th, regulations to carry it into effect were issued. Every facility which the War Department could control was afforded to make the law effective for raising troops. The results on November 1 were as follows:

Total number of *recruiting agents* appointed by governors of loyal States to recruit in rebel States	1,045
Total number of recruits obtained by these agents	2,831

These recruits are embraced in the preceding statements of volunteers mustered into service, and they have been credited to the States by whose agents they were obtained.

Recapitulation of forces raised and mustered into service for one, two, or three years, between November 1, 1863, and November 1, 1864.

FOR THE ARMY.

Volunteers, white and colored, in loyal States, between November 1, 1863, and November 1, 1864	402,698

Volunteers, colored, enlisted in States in rebellion, between January 1, 1864, and October 15, 1864, and not embraced in the above	22,143
Recruits for regular army, between January 1, 1864, and October 31, 1864	13,871
Veterans who re-enlisted before the expiration of their terms of service, between November 1, 1863, and November 1, 1864	136,507
Drafted men and substitutes for drafted men, and men liable to draft, to November 1, 1864	75,550
	650,769
Enlistments in the naval service, between February 24, 1864, and November 1, 1864	22,930
Enlistments in the marine corps, between February 24, 1864, and November 1, 1864	1,753
	675,452

REMARK.

In estimating the number of troops called into service, it has been the rule of the Department to take into account the whole number of men mustered, without regard to the fact that the same persons may have been previously discharged after having been accepted and credited on preceding calls.

Under the different calls volunteers have been accepted for various terms of service, viz: three, six, and nine months, and one, two, and three years respectively, and a large number of persons who had served under one call have subsequently enlisted under another. Thus, a portion of those who enlisted under the call in April, 1861, for 75,000 three months' men, again enlisted under the succeeding call in July following for three years; others re-entered the service for nine months, or for one or two years, and at the expiration of these periods again re-enlisted for three years, and the entire "veteran volunteer" force consists of those who, having served two years, re-enlisted for three years. Again, during the early stages of the war men were accepted with but very slight physical examination, or none at all. The desire to enter the service was great, and as no experience had been had, men were unable to judge of their ability or inability to perform the duties required of soldiers. A large part, therefore, (near two hundred thousand,) of the men accepted in the years 1861 and 1862 were soon found to be unfit for service, and were discharged. (This accounts, partially, for the large excess carried forward from the calls of 1862 and deducted from those of 1863.)

It will be observed, therefore, that a large portion of the number counted in filling calls has been furnished, first, by the re-enlistment of those in service, and second, by those who have re-entered the service after discharge from a former enlistment under which they had been credited. And thus the estimated number of men furnished is reduced in the same ratio that the enlistments have been repeated; in other words, the different calls are filled by crediting each accepted *enlistment*, instead of limiting the credit to the actual number of *persons* who have entered the service anew.

It follows, therefore, that, on account of a necessary repetition of credits, incident to enlistments, the tax upon the military basis of the country to supply the army has been much less than would appear by considering simply the number of men embraced in the different calls for troops, or the number of credits allowed upon these calls.

COMMUTATION MONEY.

The mode of collecting the commutation money from the draft by collectors of internal revenue, as explained in my last report, has been continued in force, but since the passage of the joint resolution of January 16, 1864, the money has been deposited by the collectors, to the credit of the Treasurer of the United States, as required by that resolution of Congress. It is drawn out on requisitions in the same manner as the funds of other appropriations.

The amount of money received from this source prior to November 1, 1863, as stated in my last annual report, was	$10,518,000 00
The amount received since that report, and prior to November 1, 1864	15,066,599 25
Total received	25,584,599 25

This money is appropriated by law "for the expenses of the draft, and for the procuration of substitutes." A large part of it has already been used, and the remainder is being used for these purposes.

Voluntary contributions to the commutation fund have been received from three "American citizens abroad." Total amount thus contributed, (included in the total above) $900.

By the act approved July 14, 1864, men drafted under calls made in pursuance of that act cannot secure exemption by payment of commutation. No more money, therefore, is being received on this account, except in a few cases under former drafts, not heretofore decided.

By section 17, of the act approved February 24, 1864, and section 10 of the act approved July 4, 1864, certain non-combatants, when drafted, may secure exemption by payment of $300. The fund derived from this source is by law appropriated "for the benefit of sick and wounded soldiers." This money is collected by this Bureau and deposited in the treasury in the same manner as other commutation money; but after deposit it is at the disposal of the Medical Department of the army, for the purpose designated by law.

The amount received and deposited on this account, up to November 1, 1864, was $121,800.

DESERTERS.

The officers and employés of the Bureau have been active during the year in the arrest of deserters. The results are as follows:

The number of deserters arrested between October 1, 1863, and September 30, 1864, was 39,392.

The total number arrested from the time this branch of the Bureau went into operation, May 1, 1863, to September 30, 1864, is 60,760, being an average of 3,574 per month; from which it may be inferred that not many who remain in the country escape arrest.

Deserters who have fled to Canada, and who are prevented from coming back by the fear of arrest and punishment, have expressed a desire to return to duty, *on condition of being pardoned*. The services of this class of men do not seem to be required, and, as they have knowingly and voluntarily deserted their flag and country, I have not recommended to you a compliance with their wishes.

By section 13 of the act approved March 3, 1863, "drafted men who fail to report as notified are *deemed* deserters." In many instances, failure to report has occurred on account of circumstances which they could not control, or through misunderstanding, ignorance, or bad counsel. It has been the practice of the Bureau to give liberal consideration to the mitigating circumstances attending such cases, and to prosecute such persons only as have deliberately and wilfully violated the law.

THE VETERAN RESERVE CORPS.

The above name has been given to the force organized under this Bureau, which, in my last annual report, was called the Invalid Corps. The principles originally prescribed for the organization have been adhered to. Officers desiring admission are required to produce recommendations from the superior officers under whom they served in the field, and to pass a thorough examination as to their fitness, in all respects, for the positions which they seek.

On the 1st of October the Corps consisted of 764 officers and 28,738 enlisted men organized as follows: first, twenty-four complete infantry regiments, each regiment containing ten companies of the first class—that is, those men of the highest degree of physical ability; second, 155 unassigned infantry companies, composed of men of less physical ability than those in the regiments. The Corps is doing duty which would otherwise have to be performed by an equal number of able-bodied troops detached from the armies in the field, and it is yet inadequate in numbers to fill the demands made upon it.

The unassigned companies are mainly on duty as guards, attendants, &c., at the general hospitals. The regiments are performing garrison duty in Washington and its defensive works, at the various depots of prisoners of war, at the general depots for recruits and drafted men at the provost marshals' rendezvous, escorting recruits to the field, &c.

The discipline and instruction are good; and though no longer able to take the field and seek the enemy, these troops are ready and willing to meet him in battle, as demonstrated during the formidable rebel raid into Maryland in July last.

Many of the officers, including some detached from their regiments for special service, are filling with ability and usefulness positions of honor and responsibility.

A report and return of this force, showing in minute detail its condition on the 1st of October, 1864, prepared by the officer in charge of that branch of this Bureau, is on file for reference.

MEDICAL STATISTICS.

Medical statistics of the drafts of 1863 and 1864, including the present draft as far as it has been completed, have been carefully prepared, and are presented herewith. Especial attention is invited to the valuable data exhibited in these tables. It will be seen from them, among other facts, that the ratio of rejections for mental and physical infirmities in the United States, France, Great Britain, and Belgium, for certain stated periods, were as follows:

Table showing the ratio of exemptions from military service for mental and physical infirmities in the United States, France, Great Britain, and Belgium.

Nations.	Years.	Ratio rejected per 1,000 examined.	
United States	1863	314.02	
	1864*		257.02
France	1831 to 1843	324.4	
	1859		317
Great Britain	1832 to 1851, and 1860 to 1862	317.3	
Belgium	1851 to 1855	320.6	

* Supplementary draft.

DISBURSEMENTS ON ACCOUNT OF ENROLMENT AND DRAFT AND APPREHENSION OF DESERTERS.

Amount disbursed on account of enrolment and draft from November 1, 1863, to October 31, 1864	$3,534,523 49
Compensation of the members of the board of enrolment, who are paid by the pay department of the army, about	402,944 22
Amount disbursed by officers of this Bureau from appropriation for "incidental expenses of Quartermaster's department," for apprehension of deserters	79,260 84
Total	4,016,728 55

DISBURSEMENTS ON ACCOUNT OF VOLUNTEER RECRUITING SERVICE.

The amount of money expended during the year ending September 30, 1864, from the appropriation for collecting and organizing volunteers, was	$4,199,071 17
The amount expended from the same fund during the preceding year was	7,789,327 40
The amount of money expended during the year ending September 30, 1864, for pay of advance bounty to volunteers was	14,658,203 00
The amount expended for like purpose during the preceding year was	7,562,712 00

ESTIMATES.

No appropriation of money will be necessary for the support of this Bureau during the next fiscal year.

Very respectfully, your obedient servant,

JAMES B. FRY,
Provost Marshal General.

Hon. EDWIN M. STANTON,
Secretary of War.

Showing the numbers examined in each State or Division of a State, and number exempted for certain diseases and infirmities, with the ratios exempted for each disease, per 1,000 examined, under the Draft of 1863, being the first Draft made under the Enrolment Act.

Diseases.	States and Divisions.																	Ratio rejected per 1,000 examined.
	Maine.	N. Hampshire.	Vermont.	Massachusetts.	Rhode Island.	Connecticut.	New York, S. D.	New York, N. D.	New York, W. D.	Penn., E. D.	Penn., W. D.	Delaware.	Maryland.	Dist. Columbia.	Wisconsin.	Michigan.	Totals.	
Numbers examined	14,304	7,375	6,719	29,028	4,097	10,818	24,627	27,658	29,759	36,294	35,607	2,175	4,821	4,290	12,237	5,379	253,188	.....
Manifest imbecility	74	76	37	156	40	42	27	53	95	138	156	16	15	10	41	14	990	3.88
Insanity	29	25	7	61	12	22	17	103	55	26	26	.....	3	.....	14	10	410	1.61
Epilepsy	124	64	61	207	33	104	106	305	295	322	299	13	31	29	100	47	2,140	8.39
Paralysis, chorea, atrophy of a limb	90	10	17	136	26	65	102	123	157	106	137	.....	13	2	35	25	1,044	4.09
Acute organic diseases of internal organs	1,115	281	263	1,873	231	391	1,007	1,194	1,418	1,280	1,457	154	97	127	369	316	11,573	45.35
Phthisis	285	67	70	326	.....	214	668	643	283	668	358	2	118	43	54	30	3,829	15.00
Diseases of skin	40	13	16	108	17	15	26	82	52	42	45	4	5	5	13	9	491	1.92
Feebleness of constitution and deficient size of chest	863	453	382	2,011	198	334	716	897	1,059	1,068	1,369	89	97	158	247	96	10,037	39.33
Scrofula and syphilis	101	58	19	252	20	49	151	114	119	176	109	4	37	38	58	12	1,317	5.16
Chronic rheumatism	95	41	32	345	12	49	105	135	57	113	205	19	13	15	46	28	1,210	4.74
Diseases of eye, including myopia	242	148	113	802	87	225	507	737	614	621	561	33	56	74	170	106	5,096	19.97
Diseases of nose and mouth	17	11	15	34	.....	14	21	59	49	34	52	2	5	3	9	2	327	1.28
Diseases of ear	112	64	33	273	27	75	151	248	183	240	249	14	34	22	70	25	1,820	7.13
Dumbness and loss of voice	3	1	2	7	1	1	3	7	6	5	6	1	.....	.....	.....	2	45	.18
Stammering	29	18	18	50	6	11	24	91	70	41	60	3	5	8	10	4	448	1.76
Loss of teeth	146	170	140	969	92	287	295	385	1,068	623	798	19	45	59	66	68	5,230	20.49
Tumors, wounds, or diseases of neck	12	1	3	38	2	5	11	37	25	66	40	1	5	2	8	7	263	1.03
Obesity, (*excessive*)	22	6	5	52	6	8	10	15	45	36	19	3	1	6	2	1	237	.93
Hernia	453	217	292	765	101	287	605	858	1,174	1,216	1,018	46	133	151	391	187	7,894	30.93
Diseases of the anus	21	9	8	65	3	25	67	32	56	64	52	2	14	9	6	6	446	1.75
Hemorrhoids	81	10	12	147	12	39	104	93	105	118	140	1	18	6	21	10	917	3.59
Diseases of urinary organs	12	2	9	51	10	15	29	60	105	117	49	4	7	3	10	10	493	1.94
Diseases of the testicles	107	22	14	161	20	29	51	122	79	67	93	7	8	3	35	19	837	3.28
Loss of limbs	21	8	7	56	12	14	15	34	102	60	26	6	5	6	12	14	488	1.91
Wounds and injuries	20	29	35	342	47	53	88	109	272	259	240	38	32	24	68	40	1,696	6.64
Diseases of bones or joints	1,057	442	319	1,595	135	450	749	1,149	1,693	1,295	1,430	135	186	137	480	260	11,512	45.11
Deformities of hand	161	88	48	314	18	77	114	185	270	217	293	14	43	46	59	78	2,025	7.94
Deformities of feet	308	126	81	427	37	95	171	344	423	286	394	16	47	35	109	88	2,987	11.71
Varicose veins	214	62	60	299	39	91	211	172	200	227	159	12	14	26	115	46	1,947	7.63
Chronic ulcers	39	29	24	103	11	49	57	105	201	116	171	14	25	32	28	18	1,022	4.00
Varicocele	34	34	18	278	8	20	48	118	77	54	62	20	4	3	10	17	805	3.15

Recapitulation of the draft of 1863.

States.	Quota to be obtained.	Number drawn and 50 per cent. additional.	Total examined.	Failed to report.	Number obtained.				Number exempted.															
					Furnished substitute.	Paid commutation.	Held to personal service.	Total obtained.	Physical disability.	Only son of a widow, &c.	Only son of aged parents.	Elected under 4th clause, &c.	Only brother of children under 12 years.	Father of motherless children under 12 years.	Two brothers in service.	Convicted of felony.	In service March 3, 1863.	Aliens.	Over 45 years of age.	Over 35 years and married.	Under 20 years of age.	Non-residents.	Other causes.	Total exempted.
Maine	10,725	16,089	14,360	1,729	1,749	1,986	812	4,547	6,064	395	582	524	8	197	99	5	353	327	43	527	99	447	143	9,813
New Hampshire	5,335	8,002	7,673	329	2,240	571	171	2,982	2,668	226	370	344	3	117	27	4	94	225	14	177	54	253	175	4,691
Vermont	4,715	7,073	6,739	334	631	1,885	409	2,925	2,199	125	259	98	2	74	47	5	83	357	30	220	85	193	37	3,814
Massachusetts	21,385	32,077	29,194	2,883	2,322	3,702	807	6,831	12,581	876	614	363	13	364	158	35	736	3,367	238	1,010	225	1,017	1,006	22,363
Rhode Island	2,880	4,321	4,072	249	679	463	117	1,259	1,334	146	79	123	3	33	32	4	228	361	23	145	63	235	4	2,813
Connecticut	7,692	11,539	10,601	938	2,238	1,513	182	3,933	3,199	384	245	158	8	141	84	6	135	1,261	78	478	160	320	11	6,668
New York	63,834	95,795	80,023	15,772	6,978	15,912	2,300	25,210	25,765	2,724	2,269	705	55	935	606	45	1,230	8,348	728	5,947	2,038	2,515	903	54,813
Pennsylvania	54,877	82,314	71,141	11,173	6,953	17,672	3,478	28,103	20,259	2,029	1,541	1,107	29	909	631	31	2,506	4,810	664	4,203	1,413	1,410	1,496	43,038
Delaware	1,636	2,454	2,179	275	227	435	207	869	697	100	37	15	3	27	20	....	60	110	2	116	80	43	.....	1,310
Dist. of Columbia	3,865	5,798	4,628	1,170	701	318	349	1,368	1,124	269	62	8	4	91	6	15	145	489	98	347	189	413	.....	3,360
Maryland	3,747	5,620	4,783	837	368	1,106	109	1,583	1,139	278	72	35	10	74	14	6	262	583	105	326	163	16	115	3,200
Wisconsin	9,957	14,935	12,298	2,637	245	5,080	627	5,952	2,791	264	459	79	15	135	100	2	162	847	102	754	177	228	171	6,286
Michigan	4,284	6,424	5,393	1,031	651	1,644	280	2,575	1,627	83	129	17	1	80	34	4	74	339	42	117	48	57	173	2,818
Total	194,962	292,441	253,024	39,417	26,002	52,287	9,848	88,137	81,387	7,899	6,711	3,576	154	3,177	1,838	162	5,858	21,424	2,157	14,367	4,796	7,147	4,234	164,887

NOTE.—In States not named in the above table quotas were filled by volunteers, and no draft was made.

Recapitulation of draft under call of March 14, 1864

States.	Deficiency to be obtained.	Number drawn.	Total examined.	Failed to report.	Number obtained.				Number exempted.							
					Furnished substitute.	Paid commutation.	Held to personal service.	Total obtained.	Physical disability.	Convicted of felony.	Unsuitableness of age.	Aliens.	Now in service.	Non-residence.	Other causes.	Total exempted.
New Hampshire	764	1,573	1,441	132	596	121	16	733	439	.....	55	15	17	12	170	708
Vermont	132	347	300	47	27	89	12	128	94	1	5	2	9	5	56	172
Massachusetts	4,547	9,505	7,186	2,319	743	1,607	102	2,452	1,997	.....	429	1,039	49	187	1,033	4,734
New York	5,299	11,713	9,057	2,656	2,003	2,266	153	4,422	2,391	.....	930	632	116	209	367	4,635
New Jersey	6,794	13,520	10,961	2,559	2,438	4,163	380	6,981	2,679	.....	732	592	196	244	137	3,980
Pennsylvania	16,625	29,394	21,475	7,859	608	10,046	702	11,356	5,102	.....	1,419	1,223	415	547	1,413	10,119
Delaware	1,141	2,081	1,692	389	16	951	90	1,057	369	.....	96	84	42	.....	44	635
Maryland	5,123	11,498	7,686	3,812	843	2,538	424	3,805	2,156	.....	829	462	131	137	106	3,821
Kentucky	6,626	9,186	6,162	3,024	523	3,026	408	3,957	1,337	.....	368	241	101	44	114	2,205
Ohio	13,439	18,648	15,485	3,163	943	6,290	596	7,829	3,911	.....	780	637	1,115	373	840	7,656
Michigan	939	2,037	1,291	746	92	323	112	527	515	.....	31	95	21	26	76	764
Minnesota	2,349	4,004	3,125	879	71	1,026	363	1,460	1,056	.....	231	118	123	86	51	1,665
Total	82,788	113,446	85,861	27,585	8,903	32,446	3,418	44,767	21,446	1	5,895	5,140	2,335	1,870	4,407	41,094

NOTE.—In States not named in the above table quotas were filled by volunteers, and no draft was made.

REPORT OF THE SURGEON GENERAL.

SURGEON GENERAL'S OFFICE,
Washington, D. C., October 20, 1864.

SIR: I have the honor to submit the following statement of finances and general transactions of the medical department for the fiscal year ending June 30, 1864:

The funds derived from all sources and available for the expenses of the medical and hospital department for the fiscal year ending June 30, 1864, were—

Balance remaining in treasury June 30, 1863, being residue of the appropriation for the ensuing fiscal year, under the act approved February 9, 1863	$8,522,423 27
In the hands of disbursing officers	250,828 10
Deficiency appropriation act, approved March 14, 1864	3,296,000 00
Amount refunded by subsistence department on account of board paid for sick soldiers in private houses and hospitals,	66,522 03
Amount refunded from appropriation for supplies, transportation and care of prisoners of war	97,195 44
Amount refunded by Suire, Eckstein & Co., Cincinnati, Ohio, being amount overpaid to them in the settlement of their accounts in 1861–2	10,677 43
Proceeds of sales of condemned and unserviceable property	11,327 64
Proceeds of medical stores sold, by authority of Major General U. S. Grant, to the inhabitants of Vicksburg and vicinity	2,596 22
Proceeds of bedsteads sold to the Western Sanitary Commission by Medical Storekeeper R. T. Creamer, United States army, in June, 1864	727 50
Amount received for ice sold by Medical Storekeeper Hennel, Stevens, to Algeo & Co., Memphis, Tennessee, in December, 1863	4,020 00
Amount received for surgical instruments sold to officers	94 00
Proceeds of various other sales	262 27
Amount received for board of officers in hospitals	
Received of quartermasters for property lost or damaged in transportation	297 50
Received of railroad companies, &c., for same	$739 93
Amount paid for benefit of hospitals by sutlers, at Chattanooga, in the 3d and 4th quarters of 1863	207 00
Total	12,263,988 08

Of this amount there was disbursed for medical and hospital supplies	$9,009,275 49	
For pay of private physicians	1,222,411 50	
For hospital employés	437,792 09	
For expenses of purveying department	260,406 61	
For care of sick soldiers in private hospitals,	48,806 82	
For artificial limbs	34,750 00	
For contingencies of medical department	12,348 82	
Total	11,025,791 33	

Balance remaining in the treasury June 30, 1864	914,135 10	
Balance in the hands of disbursing officers,	324,061 65	
		$12,263,988 08

There was expended also by medical disbursing officers, from appropriation for furnishing artificial limbs for soldiers and seamen disabled in service, under act approved July 16, 1864	$2,550 00
From appropriation for care of prisoners of war	85,521 42
From appropriation for relief of destitute discharged soldiers, under section 1, act approved July 5, 1862	824 90

There were furnished during the year to disabled soldiers 669 legs and 339 arms.

One hundred and eighty-two general hospitals, with a capacity of eighty-four thousand four hundred and seventy-two (84,472) beds, were in operation at the date of the last annual report. During the summer campaigns it was found necessary to establish additional ones, and increase the capacity of those nearest the scenes of active operations, giving one hundred and ninety (190) hospitals, with a capacity of one hundred and twenty thousand five hundred and twenty-one (120,521) beds, on the 30th June, 1864.

During the year the health of the entire army was better than is usual with troops engaged so constantly on active duty and in arduous campaigns. No destructive epidemics prevailed in any section, and the number of sick and wounded, although large, has been comparatively small in the proportion it has borne to the whole army. At the close of the year the number of sick and wounded, both with their commands and in general hospitals, was less than sixteen (16) per cent. of the strength of the army. Of this number 9.3 per cent. were sick and 6.46 per cent. wounded. The number sick with their respective commands was four per cent., and in general hospitals 5.3 per cent. of the strength. Of the 6.46 per cent. wounded, nearly one per cent. were with their respective commands, the rest in general hospitals.

The work of reducing the sick reports of the army has not advanced sufficiently to present a detailed statistical report of sickness and mortality during the year, but it is evident that the completed tables will exhibit a lower rate of mortality than in previous years. The deaths from disease during June, 1864, were 2.98 per thousand of mean strength; from wounds, 3.10 per thousand; total deaths 6.08 per thousand, or six-tenths of one per cent. for the month. During the same month of the previous year the total was 7.3 per thousand of mean strength, or over seven-tenths of one per cent.

During the fiscal year from July 1, 1863, to June 30, 1864, an army medical board was appointed to meet in New York, on the 15th of October, 1863, for the examination of candidates for the medical staff of the United States army, and of assistant surgeons of that corps for promotion. Twenty applicants for admission into the medical staff were invited to present themselves before this board. Of this number six were fully examined and approved, five withdrew before their examinations were concluded, and nine failed to appear. One assistant surgeon was examined for promotion and found qualified. Of the approved candidates, five have been appointed assistant surgeons.

Boards have been in session in New York; Washington, D. C.; Hilton Head, South Carolina; New Orleans, Louisiana; Memphis, Tennessee; Little Rock, Arkansas, and Cincinnati, Ohio, for the examination of candidates for appointment in the volunteer medical staff. Two hundred and seventy-seven candidates have been invited before those boards, ninety-two of whom have passed

satisfactory examinations and been appointed accordingly. The remainder were rejected, failed to appear, or withdrew before their examinations were completed.

The casualties in this corps since June 30, 1863, are as follows: Appointed, 102; promoted, 54; restored, 5; resigned, 20; declined, 6; died, 5; dismissed, 6; discharged, 8; transferred to regular army as medical inspectors, 3.

Boards for the examination of candidates for appointment as medical officers to colored troops have been in session permanently at Boston, New York, Washington, Philadelphia, Cincinnati, and St. Louis, and are convened at other points from time to time as the exigencies of the service demand.

The establishment of medical depots within reach of the armies in the field, and their prompt supply upon the field of battle; the transportation of sick and wounded by ambulance, railroad, and hospital transports; the sufficiency and successful administration of the vast system of general hospitals; the sanitary precautions, as well as all minor details of this department tending to the greater comfort of the sick and wounded, as well as to the health and efficiency of the troops, have during the year undergone the severest possible test, and in no instance have the movements of our successful generals been impeded or delayed from any cause within the control of the medical department.

The commutation value of the soldier's ration as reduced by act of Congress approved June 20, 1864, is insufficient to supply the necessary articles of extra diet, and additional legislation will be required.

House bill No. 543, thirty-eighth Congress, having passed the House of Representatives, was not reached in the Senate, and awaits final action. The proposed well-deserved promotion of meritorious medical officers cannot fail to increase their efficiency by placing them upon an equal footing with those of other staff corps in regard to local rank, and it is respectfully submitted that the faithful performance of arduous duties by officers of the medical department should be recognized and rewarded by brevets equally with the other branches of the service.

The Army Medical Museum continues to increase in value, and is already one of the most instructive pathological collections in the world. A descriptive catalogue is in course of preparation, an examination of which will, it is thought, fully establish the importance of this institution in connexion with the surgical and medical history of the war.

I have the honor to be, sir, very respectfully, your obedient servant,

JOSEPH K. BARNES,
Surgeon General

Hon. E. M. STANTON,
Secretary of War.

REPORT OF THE PAYMASTER GENERAL.

WAR DEPARTMENT, PAYMASTER GENERAL'S OFFICE,
Washington, November 1, 1864.

SIR: I have the honor to submit a report of the official transactions of this department for the fiscal year ending June 30, 1864.

The tabular statement herewith presented exhibits a balance in the hands of paymasters at the beginning of the fiscal year, (July 1, 1863,) of $66,688,584 23. This balance, with the requisitions of this office in favor of paymasters and sums received from other sources, amounting to $246,796,281 64, leaves to be accounted for the total sum of $313,484,865 87, which is done as follows, to wit:

Payments to regular army	$6, 112, 374 81
Payments to Military Academy	159, 847 33
Payments to volunteers	220, 853, 973 31
Amount of requisitions pending in the treasury and not issued on June 30, 1864	69, 100, 000 00
Actual balance in hands of paymasters on June 30, 1864	17, 258, 670 42
	313, 484, 865 87

Of these pending requisitions there have, since June 30, 1864, been issued by the treasury and disbursed to the army the sum of $68,100,000, leaving yet unissued the sum of $1,000,000, for which requisitions were made before June 30 last.

The entire army has been paid, or is now in process of payment, to include the muster of August 31, 1864, except the departments of the Gulf and West Virginia; and paymasters will be in readiness, as soon as the needed funds shall be supplied, to make payments to October 31, 1864.

The organization of this department now embraces one paymaster general, with the rank of colonel; two deputy paymasters general, with the rank of lieutenant colonel; twenty-five (25) paymasters of the permanent establishment, and four hundred and nine (409) additional paymasters, with the rank of major.

I avail myself of this occasion of my temporary accession to the charge of the department most respectfully to recommend such reorganization of it as, at your instance, Congress has heretofore wisely given to the other staff departments of the army. The duties of this department are surely of no less importance or involve no less responsibility than those of the other staff departments, while, in many respects, they are more onerous and demand more anxious care and labor than any of them. It is only necessary to recur to the fact that the disbursements of this department swell to the large annual sum of three hundred and fifty millions of dollars, ($350,000,000;) and when it is considered that—altogether different from the other disbursing departments in this respect—this large amount of money is necessarily paid at stated periods in small sums to individual officers and men, upon carefully prepared vouchers, the immensity of the labor involved will be apparent.

All the disbursing departments of the army have been remodelled except this one, which I am fully convinced would be as much improved as it is known the others have been by the wholesome changes suggested.

In the staff departments, as in the line of the army, no incentive is so effective to quicken the zeal of officers as the assured prospect of advancement for faithful and meritorious services. I therefore beg most respectfully to recommend such reorganization as may be readily made without interruption of its general business, while I am sure it will greatly promote its general efficiency: for

example, a change similar to the one two years since brought about by your recommendation and through the weight of your influence in the subsistence department of the army; that the Paymaster General shall have the rank of brigadier general; that there shall be two assistant paymasters general, selected from the officers of the pay department, these to be *ex officio* inspectors of the department, with the rank of colonel; and that there be added to the two deputy paymasters general now allowed by law, with the rank of lieutenant colonel, ten (10) others of the same grade, selected from the corps. In the large amount of business of this office the services of two (2) assistants are absolutely necessary and indispensable.

The deputies, for reasons set forth by the Paymaster General in his last annual report, are highly necessary as chiefs to superintend, manage, and control the business of the several geographical pay districts into which, for the convenience of business, the country is divided, to estimate for the wants of such districts, and to distribute to subordinates the funds, and apportion the duties of each.

It is further respectfully recommended, besides the permanent lieutenant colonels herein asked for as commanders of pay districts, that when, from the exigencies of the service, it shall become necessary to assign a paymaster or an additional paymaster to the charge of a district, such assignment shall invest the incumbent with the temporary rank of lieutenant colonel during his continuance in such command. Such established provision, to give the grade of lieutenant colonel in all cases to the district chiefs, would seem to be demanded on the score of consistency as well as propriety.

That an officer charged with the responsibility and official management of millions monthly of the public treasure, and with the important trust of supervising and regulating its proper disbursement, should be held to a grade of rank and emolument *below* that conferred by law upon all the representatives of the other staff departments attached to the immediate staff of a corps commander is, to say the least, anomalous certainly.

The changes here recommended, you cannot fail to observe, will but inconsiderably add to the expense, while I feel sure you will appreciate their great benefits to the service.

In justice to this department, in which I have been, I trust, a faithful functionary for near fifteen years, I beg, most respectfully, to invite your attention to another fact. The corps of paymasters is one of the largest of the staff organizations of the army, and it is believed that so far in the progress of this gigantic war no disbursing department can exhibit a more favorable record. Its business being confined exclusively to the disbursement of army pay, it is next to impossible for its officers to embark in peculation or frauds without speedy detection. Proper vigilance being exercised at this office, no malefactor of the department can long escape detection. From these facts I am enabled to say with confidence that the officers of this department can, on the score of integrity and good faith in the exercise of their duties, compare most favorably with any class of the public agents. The faithless and dishonest ones have so far been comparatively few, and have paid the fullest penalty of their crimes.

The clerical force of this department, numbering one hundred and fifty-five (155) clerks of every class, appears, in all its branches, to exhibit zeal, competency, and general efficiency. It is believed that no present increase of that force is needed.

Respectfully submitted.

B. W. BRICE,
Acting Paymaster General U. S. A.

Hon. EDWIN M. STANTON,
Secretary of War.

REPORT OF THE CHIEF OF ORDNANCE.

ORDNANCE OFFICE,
War Department, Washington, 1864.

SIR: The following report of the principal operations of the ordnance department during the past year is respectfully submitted. To that report I avail myself of the occasion to add such remarks and recommendations respecting the future service of the department as the public interest, in my judgment, calls for.

The fiscal resources and disbursements of the department during the year were as follows, viz:

Amount of appropriations remaining in the treasury on the 30th day of June, 1863—	
In the government depositories to the credit of disbursing officers at same date	$3,122,979 11
Amount of appropriations from June 30, 1863, to June 30, 1864, including the fixed annual appropriation for arming and equipping the militia	42,015,000 00
Received since June 30, 1863, on account of damages to arms in hands of troops, from sales of arms to officers, and of condemned stores, and from all other sources not before mentioned	141,023 01
Total	45,279,002 12
Amount of expenditures since June 30, 1863	$38,502,822 99
In the public depositories to the credit of disbursing officers June 30, 1864	1,797,387 16
Amount of appropriations remaining in the treasury at same date	4,978,791 97
Total	45,279,002 12

The estimates for the next fiscal year, which have been submitted, are predicated from the average amounts actually required and expended during similar periods lately passed; taking into consideration supplies which will remain over for use during that year, and supposing a similar scale and character of military forces and operations. On this basis the amounts estimated are as nearly accurate as it is possible to make them, and any curtailment, therefore, in the appropriations, without a warranting change in the condition of the country, will only result in a necessary future call to supply deficiencies.

The ordnance, arms, and other ordnance supplies, which this department has procured by fabrication and purchase, and which it has supplied to the troops during the past fiscal year, as also those at the arsenals and ordnance depots, are shown in detail by the accompanying statements. From these it will be seen that the fabrications and purchases during the year include the following quantities and kinds of principal articles:

959 field cannon, different calibres.
355 siege cannon, different calibres.
448 seacoast and garrison cannon, different calibres.
1,028,427 cannon balls, shells, and other projectiles for field artillery.
218,157 cannon balls, shells, and other projectiles for siege artillery.

427,660 cannon balls, shells, and other projectiles for sea-coast forts.
824 artillery carriages for field service.
276 artillery carriages for siege service.
629 artillery carriages for sea-coast forts.
49 mortar beds.
583 caissons, travelling forges, and battery wagons.
622,910 small-arms for foot troops.
179,615 small-arms for mounted troops.
523,678 sets of infantry accoutrements.
93,410 sets of cavalry accoutrements.
173,463 sets of horse equipments.
3,505 sets of artillery harness for two horses.
8,409,400 pounds of gunpowder.
12,740,046 pounds of lead and bullets.
823,314 rounds of ammunition for artillery.
169,490,421 rounds of ammunition for small-arms.
275,204,372 percussion caps.
2,376,643 friction primers for cannon.

In addition to the procurement of the foregoing articles, a large quantity of materials for munitions of war has been partially made up at the arsenals, and advanced towards completion in different degrees. Much work has also been done in repairing arms, equipments, gun-carriages, and other ordnance stores, which have been worn or injured in service, converting them from unserviceable articles into good, strong military supplies, in all respects fit for use in war.

The principal ordnance supplies which have been furnished for the military service during the past fiscal year are as follows, viz:

568 field cannon of different calibres.
258 siege cannon of different calibres.
315 sea-coast and garrison cannon of different calibres.
1,224,618 cannon balls, shells, and other projectiles for field artillery.
259,753 cannon balls, shells, and other projectiles for siege artillery.
429,382 cannon balls, shells, and other projectiles for sea-coast forts.
565 artillery carriages for field service.
186 artillery carriages for siege service.
561 artillery carriages for sea-coast forts.
137 mortar beds.
347 caissons, travelling forges, and battery wagons.
291,506 small-arms for foot troops.
164,404 small-arms for mounted troops.
320,254 sets of infantry accoutrements.
27,480 sets of cavalry accoutrements.
152,067 sets of horse equipments.
2,243 sets of artillery harness for two horses.
7,544,044 pounds of gunpowder.
7,624,785 pounds of lead and bullets.
464,549 rounds of ammunition for artillery.
112,057,553 rounds of ammunition for small-arms.
198,519,665 percussion caps.
2,130,430 friction primers for cannon.

There were also issued from the arsenals and ordnance depots during the year all the horse medicines required for artillery horses, picket and lariat ropes, and a great many appendages and spare parts of equipments, accoutrements, and small-arms, with armorers' and saddlers' tools for repairs in the field.

The stock on hand at the arsenals at the end of the last fiscal year embraced the following principal articles, viz:

875 field cannon of different calibres.
346 siege cannon of different calibres.
812 sea-coast cannon of different calibres.
278, 324 cannon balls, shells, and other projectiles for field artillery.
193, 297 cannon balls, shells, and other projectiles for siege artillery.
469, 619 cannon balls, shells, and other projectiles for sea-coast forts.
618 artillery carriages for field service.
134 artillery carriages for siege service.
790 artillery carriages for sea-coast forts.
142 mortar beds.
753 caissons, travelling forges, and battery wagons.
1, 167, 405 small-arms for foot troops.
56, 897 small-arms for mounted troops.
355, 434 sets of infantry accoutrements.
68, 428 sets of cavalry accoutrements.
26, 958 sets of horse equipments.
3, 029 sets of artillery harness for two horses.
2, 329, 230 pounds of gunpowder.
36, 797, 381 pounds of lead and bullets.
851, 269 rounds of ammunition for artillery.
209, 315, 880 rounds of ammunition for small-arms.
150, 931, 237 percussion caps.
1, 251, 842 friction primers for cannon.

The increase in the manufacturing capacities of the arsenals and armories has already gone far towards supplying the large demand for arms and other ordnance stores, and, in conjunction with private manufactories in this country, has rendered us independent of foreign supplies. The greater accuracy of the manufacture of such stores at the United States armory and arsenals of construction, and the more uniform and better quality of the articles so manufactured, render it advisable to increase the manufacturing capacity of these establishments to such an extent as will supply all the arms and ordnance stores required for the military service, and which the government manufactories have the means and the right to fabricate. With this view there was an appropriation made at the last session of Congress, and I have taken measures to apply it to the purpose for which it was designed at each of the arsenals in the manner that will best effect the object and augment and facilitate the operations carried on at each, by such enlargements and additions to the workshops and machinery as experience has shown to be wanted. The capacity of the national armory at Springfield, Massachusetts, is adequate to the manufacture of three hundred thousand rifled muskets annually. The arms there made are of the best quality and most approved pattern of muzzle-loading arms, and their cost, including interest on the entire capital invested in the armory, does not exceed twelve dollars per arm, with appendages complete. In pursuance of the provisions of the act approved April 19, 1864, possession has been taken of Rock island for the purpose of building and maintaining thereon an arsenal for the construction, deposit, and repairs of arms and munitions of war. Some of the requisite buildings for these purposes are under construction, and the residue will be commenced and carried to completion as soon as practicable. There are on hand at this date, in the arsenals and armory of the United States, exclusive of arms in the hands of troops, six hundred and fifty thousand rifle muskets of the Springfield pattern, and one hundred thousand Enfield rifles, making a stock on hand of three-quarters of a million of first-class rifled small-arms for foot troops. Our present stock on hand of carbines for cavalry is but twenty-five thousand. We have no government manufactory of these arms, but obtain them from private armories, with which there are now outstanding contracts for one hundred and thirty-six thousand. As soon as the armory authorized to be built at Rock

island can be put in operation, it is contemplated to commence the fabrication of these arms in the government shops. The use of breech-loading arms in our service has, with few exceptions, been confined to mounted troops. So far as our limited experience goes, it indicates the advisability of extending this armament to our infantry also; and this experience is corroborated by that of several foreign nations into the military service of which the breech-loader has been, or is about to be, introduced as the exclusive fire-arm for both cavalry and infantry. It is, therefore, intended to make this change of manufacture at our national armories so soon as the best model for a breech-loading arm can be established by full and thorough tests and trials, and the requisite modifications of the present machinery for fabricating that model can be made. The alteration of our present model of muzzle-loading arms is also a very desirable measure, both on account of economy and improvement in the character of these arms. It is thought that they can be altered at a moderate cost and in a short time to very efficient breech-loading arms. The details for effecting both these measures will receive the early attention of this bureau.

The danger of keeping large supplies of gunpowder at our arsenals, which are generally in the vicinity of closely-populated districts, makes it a matter of importance, if not of necessity, to provide for an ample depository for this article in some safe place. For this purpose a proper location should be selected by a board of competent officers, and extensive magazines erected thereon capable of storing one hundred thousand barrels of powder. Such a location should be in a dry climate, sufficiently remote from a city or a dense population to avoid destruction of property or life by accidental explosion, and of easy access, or susceptible of being made so, for the transportation of powder to or from it. The site being selected and secured, there will be no difficulty in devising suitable plans for the magazines. Legislative action will be necessary, it is thought, to authorize the selection and acquisition of the site, which should be done as soon as possible. Plans and estimates for the construction of the magazines, and of means of easy access to them, according to the nature of the site, can then be readily prepared and submitted.

In this connexion I must notice the fact that the government has no manufactory of gunpowder, but is entirely dependent on private powder mills for its supplies of this essential article. These mills have been able to keep up generally with the wants of the government, and the same may be expected from them in future, but it is very important that the government should have the means of preparing a standard of quality for gunpowder, and of prescribing the exact proportions of the components and the mode of manufacture necessary to secure the production of powder of that standard quality. In order to do this a government powder mill, under control of United States officers, should be established. It will not be necessary to have a large government powder manufactory, but only one of sufficient capacity to fabricate standard samples, and powder for experimental purposes. To this may also be added the preparation of gun-cotton for the special military purposes wherein its use is preferable to that of gunpowder. Recent experiments, carefully made at one of our arsenals, with General Lenk's improved gun-cotton, show that it can be used to great advantage over gunpowder, for filling shells, for mines, for destroying bridges, for removing obstructions, and for submarine explosions. The recoil of a gun is much less with a charge of gun-cotton than with one of gunpowder, giving to the projectile the same initial velocity. This admits of the use of much lighter field-guns with gun-cotton for the propelling charge, as is the case in the Austrian service, and gives them a superior mobility, affording great advantages, particularly over soft and difficult roads, or fields of battle. In view of the great advantages for some special military purposes which the improved gun-cotton of Baron, General Lenk is known to possess, it is recommended that the privilege of making it after his patented process be obtained, with full inform-

ation as to all the details of the process of manufacture. The principal European nations have already adopted this course, and the British government is now experimenting on the gun-cotton made at the Waltham Abbey Powder Works. Although the improved process of General Lenk has accomplished important results, it is believed that much remains to be done to modify the action of gun-cotton, so as to adapt it still better to military purposes, and, like many other new ideas and processes of manufacture which have been introduced into our military service, there is little doubt that it may soon be so improved as to overcome the objections to its more general, if not universal, use.

A most essential want of the military service, and one which has been most seriously felt, is that of a suitable ground for the proof and experimental firing of ordnance and small-arms. New inventions and improvements in these are constantly brought to the notice of the department, the practical value of which can be ascertained only by experiment. Some of these inventions and improvements are seen by examination to possess the advantages claimed for them, while grave doubts arise as to whether these advantages are not more than counterbalanced by defects growing out of the very devices relied on by the inventors for attaining advantages. Others are altogether theoretical, and require the test of actual trial to verify or refute their supposed merits. These inventions and improvements should not be disregarded, as they may result in important benefits to the public service. It will not do to stand still and rest content with what we have already attained. We must entertain and prove plans and devices for improving munitions of war if we are to keep pace in these with other nations, and in order to do so we must have the means of proving them. We are now without the proper means of so doing, and it is suggested and earnestly advised that a proper proving and experimental ground be selected and acquired. The selection should be made by a board of officers of professional acquirements and experience; and authority should be given to the Secretary of War to purchase a sufficient quantity of the ground so selected, to serve for the purposes of proof and experiment with ordnance, small-arms, or other munitions of war.

The heavy gun of twenty-inch calibre, for sea-coast fortifications, has been successfully cast and finished, and a suitable carriage to mount it has been prepared. It is now ready for experimental trials at Fort Hamilton, in New York harbor, and the proper targets and other preparations for testing its efficiency against the strongest war vessels, and ascertaining the best manner of handling it in service, have been ordered to be made. The results of these trials will demonstrate whether the expectations which theory warrants, of the destructive effects of this gun and its value for defensive works covering narrow passes, are realized, and whether such guns should be multiplied; and if so, to what extent. If they should establish the affirmative of this question, the cost of these trials will be far outweighed by the advantages obtained from them; if otherwise, the loss will be insignificant in itself, and will probably be a gain eventually, by preventing future experiments in the same line, and settling the question of the largest *effective* calibre for sea-coast cannon.

The armies in the field have been amply supplied with good and effective arms, equipments and ammunition, and the armament of the fortifications of the country has been kept in good order, and strengthened during the past year. No efforts will be spared to continue the same, and to improve the quality and efficiency of ordnance supplies for the future.

A. B. DYER,
Brigadier General, Chief of Ordnance.

Hon. E. M. STANTON,
Secretary of War

Ordnance, arms, ammunition, and other stores, procured and supplied to the army since June 30, 1863, and the quantity remaining on hand in the arsenals on June 30, 1864.

No. 1.

Cannon and mortars.	Field guns.	Siege guns.	Sea-coast guns and mortars.	Total.
On hand June 30, 1863	484	249	679	1,412
Purchased since	959	355	448	1,762
Total	1,443	604	1,127	3,174
Issued to the army during the same period	568	258	315	1,141
Remaining on hand June 30, 1864	875	346	812	2,033

No. 2.

Cannon balls, shells, and other projectiles.	For field guns.	For siege guns.	For sea-coast guns and mortars.	Total.
On hand June 30, 1863	474,515	234,893	471,341	1,180,749
Purchased since	1,028,427	218,157	427,660	1,674,244
Total	1,502,942	453,050	899,001	2,854,993
Issued to the army during year ending June 30, 1864	1,224,618	259,753	429,382	1,913,753
Remaining on hand June 30, 1864	278,324	193,297	469,619	941,240

No 3.

Artillery carriages.	Field.	Siege.	Sea-coast.	Mortar beds.	Caissons.	Travelling forges.	Battery wagons.
On hand June 30, 1863	359	44	722	230	360	92	65
Purchased since	571	68	191	.....	450	.....	.....
Fabricated at arsenals during year ending June 30, 1864	253	208	438	49	52	48	33
Total	1,183	320	1,351	279	862	140	98
Issued to the army during same period	565	186	561	137	246	70	31
Remaining on hand June 30, 1864	618	134	790	142	616	70	67

No. 4.

Small-arms.	Muskets and rifles.	Carbines.	Pistols.	Sabres and swords.	Total.
On hand June 30, 1863	836,001	13,325	28,901	82,671	960,898
Purchased since	350,300	102,685	76,930	96,433	626,348
Fabricated at the national armory	272,610	.....	.....	.....	272,610
Total	1,458,911	116,010	105,831	179,104	1,859,856
Issued to the army during year ending June 30, 1864	291,506	93,394	71,010	98,459	554,369
Remaining on hand June 30, 1864	1,167,405	22,616	34,281	80,645	1,304,947

No. 5.

Accontrements, horse equipments, and artillery harness.	Infantry accoutrem'ts.	Cavalry accoutrem'ts.	Horse equipments.	Artil'ry harness for two horses.	Saddle blankets.
On hand June 30, 1863	162,010	2,498	5,562	1,767	51,126
Purchased since	509,578	91,410	163,403	2,284	236,571
Fabricated during year ending June 30, 1864	14,100	2,000	10,060	1,221	.....
Total	685,688	95,908	179,025	5,272	287,697
Issued to the army during year ending June 30, 1864	330,254	27,480	152,067	2,243	207,868
Remaining on hand June 30, 1864	355,434	68,428	26,958	3,029	79,829

No. 6.

Powder and lead.	Pounds of gunpowder.	Pounds of saltpetre.	Pounds of sulphur.	Pounds of lead.	Pounds of lead balls & buckshot.
On hand June 30, 1863	1,463,874	8,155,079	1,137,163	30,917,728	1,139,835
Purchased since	8,409,400	.....	.....	9,250,446	1,489,600
Taken up from unserviceable ammunition	.....	.....	.....	2,000,000	.....
Fabricated since June 30, 1863	.....	.....	.....	.....	11,123,852
Total	9,873,274	8,155,079	1,115,163	42,168,174	13,753,234
Issued to the army during the year	7,544,044	34,839	537,109	11,499,245	7,624,785
Remaining on hand June 30, 1864	2,329,230	8,120,240	623,024	30,668,929	6,128,452

No. 7.

Artillery ammunition.	For field guns.	For siege guns.	For sea-coast guns and mortars.	Total.
On hand June 30, 1863	387,279	73,434	31,791	492,504
Purchased since	4,439	.....	.....	44,329
Fabricated during year ending June 30, 1864	720,526	54,923	3,537	778,985
Total	1,152,134	128,356	35,328	1,315,818
Issued to the army during the year	358,679	75,347	30,523	464,549
Remaining on hand June 30, 1864	792,455	53,009	4,805	851,269

No. 8.

Ammunition, &c.	Cartridges for small-arms.	Percussion caps.	Friction primers.	Fuzes.
On hand June 30, 1863	151,913,012	74,246,530	1,005,629	613,547
Purchased since	58,066,155	164,156,372	67,573	234,959
Fabricated during year ending June 30, 1864	111,424,266	111,048,000	2,309,070	890,098
Total	321,403,433	349,450,902	3,382,272	1,738,604
Issued to the army during the year	112,087,553	198,519,665	2,130,430	757,750
Remaining on hand June 30, 1864	209,315,880	150,931,237	1,251,842	980,584

REPORT OF THE QUARTERMASTER GENERAL.

QUARTERMASTER GENERAL'S OFFICE,
Washington, D. C., November 3, 1864.

SIR: I have the honor to submit the usual annual report of the operations of the Quartermaster's department during the fiscal year ending the 30th of June, 1864.

On the 30th of June, 1863, the termination of the preceding fiscal year, the balances in the hands of officers (after deducting the disbursements ascertained from accounts which had passed the required administrative examination of this office) amounted, as stated in the last annual report, to			$256,632,970 24
From which there is to be made a further deduction of the amount of disbursements, as ascertained from accounts for periods prior to and of the fiscal year ending 30th of June, 1863, which had been received and registered, but of which the required administrative examination had not been made, viz:			
Prior to the fiscal year	$14,460,388 14		
In the first quarter	17,356,069 88		
In the second quarter	53,336,583 84		
In the third quarter	54,034,182 58		
In the fourth quarter	54,102,022 58		
		$193,289,247 14	
Less amount shown to have been received from sales of property, rent of buildings, &c		4,193,824 75	
			189,095,422 39
Leaving an outstanding balance due June 30, 1863, of			67,537,547 85
Which was made up as follows, viz:			
1st. Amount of requisitions drawn in favor of officers, the accounts for disbursements of which had not been received at this office		46,537,380 43	
Of this amount ($46,537,380 43) two million three hundred and forty-nine thousand one hundred and ninety-two dollars and thirty-three cents ($2,349,192 33) was drawn in the fiscal year ending June 30, 1862. The balance, forty-four million one hundred and eighty-eight thousand one hundred and eighty-eight dollars and ten cents, ($44,188,188 10,) was drawn in the fiscal year ending June 30, 1863, and should have been accounted for as follows, viz:			
In the first quarter	$1,744,778 10		
In the second quarter	9,173,090 00		
In the third quarter	15,724,713 00		
In the fourth quarter	17,545,607 00		
	$44,188,188 10		
A large portion of this, although remitted during the fiscal year, could not have been received before its termination, and could not, therefore, be accounted for during that fiscal year. The greater portion had doubtless been accounted for direct to the proper accounting officer of the Treasury Department, as required by the act of Congress approved July 17, 1862.			
2d. Amount in the hands of officers unaccounted for (as ascertained from balances found due the government, upon examination of the last accounts received, and from receipts for advances made to officers for disbursement) by officers whose accounts had been rendered		6,571,300 49	
Of this amount ($6,571,300 49) the sum of two million seven hundred and thirty-five thousand three hundred and thirty-eight dollars and five cents ($2,735,338 05) was due prior to and in the fiscal year ending June 30, 1862.			

	Brought forward		$67,537,547 85
The balance, three million eight hundred and thirty-five thousand nine hundred and sixty-two dollars and forty-four cents, ($3,835,962 44,) was due in the fiscal year ending June 30, 1863, and should have been accounted for as follows, viz:			
In the first quarter	$668,625 15		
In the second quarter	434,763 58		
In the third quarter	807,383 34		
In the fourth quarter	1,925,190 44		
	$3,835,962 44		
The greater portion of this had probably been accounted for direct to the proper accounting officers of the Treasury Department, as required by the act of Congress before referred to.			
3d. The remainder was distributed among the officers disbursing at the various posts and stations, and in the field, and was applicable to the payment of debts contracted during the year. It was		$14,428,866 93	
Total balance, as before		67,537,547 85	67,537,547 85
Balance for which the accounts had not received the required administrative examination of this office, as reported above		256,632,970 24	
To which are to be added—			
1st. Remittances in the month of July, 1863	$20,045,128 00		
Remittances in the month of August, 1863	17,781,056 00		
Remittances in the month of September, 1863	23,348,639 00		
Remittances in the month of October, 1863	32,617,035 00		
Remittances in the month of November, 1863	25,604,283 00		
Remittances in the month of December, 1863	27,023,567 98		
Remittances in the month of January, 1864	24,666,856 62		
Remittances in the month of February, 1864	31,845,553 00		
Remittances in the month of March, 1864	28,383,386 22		
Remittances in the month of April, 1864	33,364,480 60		
Remittances in the month of May, 1864	27,603,654 00		
Remittances in the month of June, 1864	27,894,257 00		
		320,177,896 42	
2d. Proceeds of sales of property, rents of buildings, &c.		4,967,700 42	
Total to be accounted for		581,778,567 08	
From which are to be deducted the disbursements by officers, ascertained from accounts which have passed the required administrative examination of this office, viz:			
Prior to the fiscal year, (the accounts for which had not passed the required administrative examination in time for the last annual report)	$216,581,514 36		
In the month of July 1863	6,554,884 47		
" " " August 1863	13,626,514 08		
" " " September 1863	14,838,254 91		
" " " October 1863	5,186,895 04		
" " " November 1863	3,242,306 11		
" " " December 1863	5,104,257 50		
" " " January 1864	6,923,414 21		
" " " February 1864	4,025,371 06		

In the month of March. ....1864.....	$4,183,391 69		
" " " April.....1864.....	2,373,051 09		
" " " May .....1864.....	2,155,182 80		
" " " June.....1864.....	14,660 40		
		$284,809,697 72	
Balance due June 30, 1864		296,968,869 36	
From which there is to be made a further deduction of the amount of disbursements, as ascertained from accounts for periods prior to and in the fiscal year ending June 30, 1864, which have been received and registered, but of which the required administrative examination has not been made.....	227,160,494 47		
Less amount shown to have been received from sales of property, rent of buildings, &c.	5,820,943 99		
		221,339,550 48	
Leaving an outstanding balance due June 30, 1864..			$75,629,318 88
Which is made up as follows, viz:			
Amount of remittances drawn during the fiscal year, not taken up in the accounts received at this office.		31,317,806 00	
Amount in hands of officers, to be accounted for hereafter		44,311,512 88	
			75,629,318 88

The amounts paid during the fiscal year ending June 30, 1864, (including those for purchases made and services rendered in the preceding fiscal year, and not included in the last annual report,) as ascertained from the accounts which have passed the required administrative examination of this office, were, viz:

1st. For regular supplies, viz:			
Fuel.....	$3,476,523 48		
Forage	38,980,601 24		
Straw	164,936 64		
Stationery.....	920,409 57		
		$43,542,470 93	
2d. For incidental expenses of the army, viz:			
Postage	255,713,23		
Expenses of courts-martial..	142,242 33		
Express and escorts.....	43,643 15		
Burial expenses.....	271,642 77		
Guides, interpreters, and spies.	249,537,33		
Clerks and agents.....	1,971,674 97		
Pay of wagon and forage masters..	6,310 94		
Laborers.....	3,893,418 65		
Soldiers on constant labor	851,094 56		
Hire of veterinary surgeons.....	46,780 52		
Office furniture	127,621 19		
Medicines for horses and other animals.....	168,159 12		
Forges, blacksmiths', and shoeing tools.....	232,201 85		
Horse and mule nails, iron and steel for shoeing.....	1,311,817 35		
Picket rope.....	19,865 72		
Apprehension of deserters.....	157,031 21		
		9,748,754 89	
3d. Cavalry and artillery horses.....		26,955,929 53	
4th. Transportation and supply of prisoners, &c.....		489,798 15	
5th. Telegraph for military purposes, and expenses in operating the same.....		394,005 42	
6th. Barracks and quarters, viz:			
For rent.....	$1,596,815 49		
For repairs and construction.....	6,862,794 37		
		8,459,609 86	

7th. Mileage—transportation of officers and baggage		$312,805 38
8th. Transportation, viz:		
Of clothing	$573,342 00	
Of subsistence	3,117,576 55	
Of ordnance	794,957 86	
Of troops and supplies	87,664,990 82	
		92,150,867 23
9th. Purchase of stoves		357,294 25
10th. For material for and amount expended in the purchase and preparation of clothing, camp and garrison equipage		98,239,050 30
11th. Collecting, drilling, and organizing volunteers		46,657 13
12th. For the construction and maintenance of the gunboat fleet proper		2,317,071 47
13th. For the purchase, construction, and maintenance of steam rams		350,563 08
14th. Special expenditures for other departments, and under special appropriations, viz:		
For Medical department	$347,460 36	
For Ordnance department	513,673 97	
For Pay department	5,753 38	
For Subsistence department	36,317 32	
For Engineer department	227,872 00	
For Adjutant General's department	6,713 85	
For army contingencies	320,674 92	
For Navy department	3,373 45	
For Provost Marshal General's department	85 22	
For signal service	3,122 92	
		1,465,047 39
		284,829,925 01
Less amount of errors, &c., ascertained in officers' accounts		20,227 29
Total		$284,809,697 72

From the above statement it will be seen that during the past year accounts to the amount of $284,809,697 72 have passed the official examination required by law, prior to transmission to the treasury for final examination and settlement. They number 7,913; 7,828 accounts remain on hand to be examined, relating to disbursements, amounting to $221,339,550 48.

During the year preceding the last annual report from this office the accounts examined and transmitted to the treasury covered disbursements to the amount of $118,463,312 03.

The increased number and experience of the clerks employed in this branch of the business of this office has enabled them to accomplish more than twice as much as was done during the previous year, but the force is still insufficient to keep pace with the increased expenditures of the army, and the work is still in arrears.

The army contains at this time about 1,500 regiments and separate organizations. Each of these regiments has a regimental quartermaster, who is accountable to this office for property or money, or both. There are 644 officers of the regular and volunteer quartermasters' corps, who are generally, when on duty, charged with the disbursement of money.

The commanding officer of each of 15,000 companies is accountable to this office for property of the United States, and renders accounts to the clothing branch of the office. An account of quartermasters' stores is also rendered, in addition to the above, by the commanding officer of each of the cavalry and artillery organizations.

As all these accounts are, under present regulations, to be rendered monthly, there are not less than 220,000 separate regular accounts due at this office in the course of the year.

These accounts are of two general classes:

1st. Accounts for the receipt, transfer, and expenditure of money.

2d. Accounts for the receipt, transfer, and issue of property.

The former are rendered by law directly to the Third Auditor of the Treasury, who, after making a preliminary examination of them, transmits them to the Quartermaster General for administrative examination.

In this office they are carefully examined, and remarks in relation to errors, violations of law, regulations or orders, extravagant or unreasonable prices or purchases are indorsed upon the accounts. They are then returned to the Third Auditor for final examination and settlement. The remarks made upon the accounts in this office are communicated to the disbursing officers.

The property accounts are rendered directly by the officer to this office. They are examined and transmitted to the proper officer of the treasury for final examination and settlement. One portion of them are settled by the Second Auditor and another by the Third Auditor.

The officers rendering the accounts and returns are notified from this office of all remarks made upon them during their examination in this office.

The expenditures are charged against the several appropriations to which they properly belong, and the officers being notified promptly of all irregularities, errors, and omissions discovered during the examination of their accounts in this office, have the opportunity to correct errors, to account for or explain irregularities, and to supply omissions before the final examination is completed at the Treasury Department, and thus to facilitate the final settlement and adjustment of their accounts.

As a measure of justice and protection, both to the government and to the officers, it is very desirable that these examinations should be prompt. The officers should have the opportunity of correcting errors while the transactions are fresh in the recollection of the witnesses. The government should have the benefit of a speedy adjustment of the accounts to enable it to do justice to those whose conduct has been irregular or culpable.

I regret to report that the increasing business of this department, from the increase of the army and the growth of the operations attending the supply and transportation of the troops in this gigantic war, has continued to outrun the means provided by law for the examination and adjustment of accounts.

The temporary quarters into which the office has been removed, though much larger than those occupied in Winder's building, are not sufficient to afford convenient rooms for the despatch of business by the several divisions of the office prescribed by the law for the better organization of the quartermaster's department, approved July 4, 1864.

An increase of not less than one hundred and seventy clerks in the force of this office should be provided for, and I respectfully advise that Congress be invited to authorize this increase. They should be classified as follows: seventy (70) of class one, sixty (60) of class two, thirty (30) of class three, and ten (10) of class four.

The chief clerks of the several principal divisions of the office should be of class four; their duties are onerous and responsible, and they should be men of experience and integrity, and of aptitude for business, and should receive a compensation which will induce them to continue in the government service.

At the last Congress provision was made for an increase of twenty per cent. on the salaries of all clerks and others employed in the public departments of Washington whose annual compensation did not exceed six hundred dollars. I respectfully recommend that this increase be extended to include the clerks of all classes employed in this office. The expenses of living in this city have increased. The pay of mechanics, laborers, of clerks in private employment, and of most classes of the community depending upon daily or yearly salaries, has been increased by common consent, and I know that many worthy men, de-

voted, trusty, and valuable public servants, are now suffering from the effect of the general advance in the cost of living, which has not been accompanied by any increase of their compensation or means of support.

At the time the annual report of last year was rendered, I was under your orders, serving in the field with the army in Tennessee and northern Georgia. The report was therefore made by the Assistant Quartermaster General, Colonel Charles Thomas, an officer of long experience in the department, who performed the official duties of his office during my protracted absence.

I had called for personal reports from the officers of this department, hoping in the annual report to do justice to the services of many officers to whose zeal, energy, and active exertion the armies in the field owed much of their success. My protracted absence prevented the accomplishment of this intention, but the reports of these officers are carefully preserved in the archives of the department. They have been collected, and full abstracts of the more interesting and important have been prepared, and I recommend that they be transmitted to Congress at some proper day, to be published. They are an honorable record of unostentatious but most laborious and valuable service.

Reaching Chattanooga a few days after the battle of Chickamauga, I found the army of the Cumberland encamped in and around that town, and closely beleaguered by the enemy, who, having been permitted to gather the spoils of the battle-field, was flushed with the confidence of victory.

The army of the Cumberland had opened the campaign with a magnificent train; most of its wagons and mules had been long enough in service to be thoroughly tested and trained. The long rest at Murfreesboro' had given opportunity to repair all defects of material, and to bring the animals into good condition, and thus prepared, they had made the campaign, crossing the mountains of southern Tennessee and north Alabama, and Georgia, with very little loss or injury. The loss of material in the battle of Chickamauga was not great, and the army which I found at Chattanooga on the 25th of September, 1863, was then well provided. Forage and subsistence for some time still remained in the wagons.

But the rebels had then just broken up the shorter line of communication, by the south bank of the Tennessee, with Bridgeport, at which point the destruction of the railroad bridge had cut the railroad communication with Nashville, the base of supplies. This compelled the wagon trains which fed the army to move by a circuitous route along the bottom-lands of the Tennessee and Sequatchie valleys for some distance, and then ascending and descending Waldron's ridge by very steep, narrow, and rough roads.

Until the fall rains set in these roads were practicable, though difficult, and the corn which remained standing upon the abandoned plantations lining the banks of the Tennessee supplied some forage to the animals and some food to the men of the trains.

The rain, however, commenced early in October, and the roads became impassable. The rebel cavalry, crossing the Tennessee above Chattanooga, fell upon the trains entangled in the mud of the Sequatchie valley and the rocks of the western ascent of Waldron's ridge, and destroyed in one day about three hundred wagons, and killed or captured some eighteen hundred mules. From this time distress reigned in the camp; the animals of the train, starved to death, lined the road-sides, the horses of the artillery died at the picket ropes, or were sent to the rear when reduced to disability, in the hope of recuperating them when forage could be obtained.

The destruction of the train; the bad state of the Nashville and Chattanooga railroad, which, slightly constructed with a light rail and stringer track, had come into our possession nearly worn out, in supplying the rebel army while it lay at Murfreesboro'; frequent interruptions by the breaking of the track, and by obstructions placed upon it by the rebels, reduced the means of transporta-

tion, even to Bridgeport, below what really was necessary to feed the army at Chattanooga alone.

General Rosecrans had established a boat-yard at Bridgeport, in which a small steamer was under construction when I reached that place. Energetic measures were inaugurated to increase the facilities of this yard. Engines and boilers were bought on the Ohio and sent forward by rail. Mechanics were brought from the north, and some were obtained by details from the troops, and a fleet of steamboats was constructed under the energetic and intelligent superintendence of Captain Arthur Edwards, A. Q. M. volunteers, in time to have an important bearing upon the subsequent events of the campaign.

At the time General Grant took command of the middle military division, and, repairing to Chattanooga, assumed personal command of the troops, the tenure of Chattanooga by the United States was by the merest thread. Starvation had destroyed the animals to such an extent that the army of the Cumberland could not so horse a battery as to take it into action. Having met the Secretary of War and General Grant at Louisville, I returned with the general to Chattanooga.

At this juncture, Brigadier General Allen, United States volunteers, senior quartermaster, in the valley of the Mississippi, whose headquarters had been at St. Louis, while the line of most important operations was the Mississippi river, was ordered to make his headquarters at Louisville, Kentucky, as most convenient to control the means for supply of the army concentrating on the Tennessee river.

Brevet Lieutenant Colonel J. L. Donaldson, quartermaster United States army, was relieved from charge of the depot of Baltimore, and ordered to take post at Nashville, the advanced base of operations; and Major L. C. Easton was relieved from the charge of the depot at Fort Leavenworth, and assigned to duty as chief quartermaster of the active army of the Cumberland in the field near Chattanooga.

Lieutenant Colonel J. Condit Smith, United States volunteers, chief quartermaster of General Sherman's *corps d'armée*, accompanied that army in its extraordinary march overland, from Memphis to Chattanooga, and brought it up amply provided with subsistence, forage, and means of transportation; the animals of the train in fine condition, showing that an active, intelligent, and energetic commander, when assisted by intelligent and faithful staff officers, can march an army for long distances inland, away from railroads and navigable waters, and yet keep it well supplied and in good condition.

The march of a portion of this corps, with additions from the army of the Cumberland, was subsequently extended to Knoxville, and back again to the line of the Nashville and Decatur railroad, probably the longest continuous land march of the war.

In the march from Chattanooga to Knoxville, and back to Chattanooga, the trains were left behind, and the troops lived almost entirely upon the produce of the country through which they so rapidly passed.

By your authority a general superintendent of military railroads in the military division of the Mississippi was appointed, with the view of placing all the operations for repair, improvement, and operation of these railroads under one head, and thus securing efficiency and energy in their management.

At a later period, after the victory of Chattanooga had cleared away the enemy, and given the army room to operate, Colonel D. C. McCallum, general superintendent and director of military railroads, was called from the east, where he had been engaged in superintending the railroads which supplied the armies in Virginia, and directed to bring with him a large portion of the trained and organized construction corps, which had been formed during the war, and beginning at the southern end of the railroad at Chattanooga, to work northward at its reconstruction until he met the parties working south from Nashville.

Subsequently he was placed in entire charge of the military railroads in the

west, and he succeeded in organizing a most efficient construction corps, which has performed feats of railroad and bridge building which have never before been approached.

The reconstruction of the trestle bridge across the Chattahoochie river, near Atlanta—a bridge of seven hundred and eighty feet in length, and ninety feet in height—in the space of four and a half ($4\frac{1}{2}$) days, is one of the most wonderful of these achievements.

At this time the superintendence of the transportation of supplies by water on the western rivers was committed to Colonel Lewis B. Parsons, whose headquarters are placed at St. Louis. All accounts for charter of steamers on the western rivers were ordered to his office for examination and settlement. Under his just and energetic control uniform rates for transportation of troops and of freight were soon established, and all the resources of the immense steamboat interest of the west were brought to contribute to the regular, prompt, and abundant supply of the armies operating on the Mississippi and its tributaries. Availing himself of the high water in the Cumberland, he pushed forward to Nashville vast stores of supplies at moderate rates, and effected great economies in their transportation.

Under the energetic superintendence of General Allen, Lieutenant Colonel Donaldson, Lieutenant Colonel Easton, and Colonel McCallum, the roads soon improved, supplies were rapidly forwarded to the front, and soon the army at Chattanooga was not only relieved from its distress, but that at Knoxville was supplied from its abundant stores. For a time the steamers which first reached Chattanooga during the battle of Mission Ridge carried supplies towards Knoxville, but the railroad between Chattanooga and Knoxville was repaired in the course of the winter, and relieved the steamers of this duty.

Orders were given to the officers above named for the accumulation of supplies at Nashville and Chattanooga, for the thorough repair and stocking of the railroads, and for preparations to repair the roads in rear of the army on its expected advance during the next campaign, as far as Atlanta.

The Cumberland river being navigable only for a portion of the year, the Louisville and Nashville and the Nashville and Chattanooga railroad being liable to interruption by the raids of guerillas, or of the rebel cavalry in force, it was important to provide all possible means of supply. With this view, the railroad from Nashville to the lower Tennessee river, at Reynoldsburg, known as the Nashville and Northwestern railroad, was completed and opened, and the railroad from Nashville to Decatur, and thence to Stevenson, was also repaired, its bridges reconstructed, and it was furnished with rolling stock.

The construction of the fleet of steamers at Bridgeport was urged forward; they served an important purpose for a time, and when the whole northern part of Alabama is occupied by our forces, they will again be of great use in transportation of stores upon the Tennessee, above the impassable barrier of the Muscle shoals.

Portable saw-mills were sent to Nashville, Bridgeport, Chattanooga, and other points; the ruined saw-mills of the country were repaired and set to work, and millions of feet of timber and lumber were manufactured from the forests of this mountain region.

With the timber and lumber thus manufactured, extensive storehouses, bridges, and hospitals were constructed at Nashville, Bridgeport, Chattanooga, and other important points; and by the time the season permitted General Sherman to open the campaign the storehouses were filled, and, in addition, immense stores of forage, grain, and hay were stacked under shelter of paulins, as provision against all wants.

To the energy, intelligence, and zeal of General Allen, at Louisville; Colonel Donaldson, at Nashville; Colonel Easton, at the headquarters in the field; Captain Arthur Edwards, in charge of construction and management of steamers

on the Tennessee; Colonel L. B. Parsons in charge of steamboat transportation on the western rivers, and of Colonel D. C. McCallum, in charge of the nine hundred and thirty miles of military railways which it became necessary to repair and manage, the country owes a debt of gratitude for the brilliant success of the campaign resulting in the capture of Atlanta, and relieving the hearts of the people of the United States of all fears as to the final victory of our cause, and re-establishment of our united country.

Three of these officers have been rewarded by brevet promotion for their services. I respectfully recommend that the service of the others be likewise recognized.

General Sherman, in his official report of the campaign, makes honorable reference to some of these officers, whose efforts came most directly under his own eye.

The two campaigns of Chattanooga and of Atlanta were conducted amid difficulties from the great length of the line of communication, and the character of the disaffected or hostile country through which the armies had to be supplied, which have seldom if ever before been successfully overcome, and I refer to them at some length, because a considerable part of the work of the quartermaster's department passed under my own eye, and because the success attained in supplying the troops engaged in these campaigns gives assurance of the capacity of the department, as now organized, under able and zealous officers, trained during the war, to supply the troops in any movement they are likely to be called upon to make in its future prosecution.

The following letter from the commanding general of the army before Atlanta bears testimony to the manner in which the duties of the quartermaster's department, in providing for the supply of his army, have been performed:

HEADQUARTERS DIVISION OF THE MISSISSIPPI,
Near Chattahoochie, July 13, 1864.

It affords me pleasure at this time to bear testimony to the fact that my vast army, operating at a distance of three hundred miles from Nashville, has been supplied in a manner to receive my most thorough satisfaction and approval. This in a great measure has resulted from the foresight of Colonel Donaldson, at Nashville, and the intense and self-sacrificing industry of that officer. I will be rejoiced at any reward or promotion the government may bestow upon him.

W. T. SHERMAN,
Major General, Commanding.

Clothing, &c., issued to the army operating in Tennessee and Georgia, from the the Nashville depot, from November 1, 1863, *to September* 1, 1864.

Sibley tents	4,350	Drawers	574,538
Hospital tents	2,117	Stockings	975,201
Wall tents	3,006	Shoes	445,355
Shelter tents	131,848	Boots	178,532
Trowsers, infantry	397,112	Blankets, woollen	182,300
Do. mounted	145,581	Do. water-proof	107,715
Greatcoats	112,843	Hats	253,136
Coats	64,999	Caps	75,436
Blowses	342,590	Knapsacks	116,016
Shirts	466,854	Canteens	163,402

There were also issued at Nashville during this period:

Horses, principally for the cavalry and artillery service	41,122
Mules	38,724
Wagons	3,795

Forage issued at Nashville depot from November 1, 1863, to April 14, 1864.

Corn, bushels	2,122,145
Oats, bushels	3,382,200
Hay, tons	20,000

MILITARY RAILROADS IN USE IN THE DEPARTMENT OF THE CUMBERLAND.

On the 1st of November, 1863, there were in use in the department of the Cumberland one hundred and twenty-three (123) miles of military railroads; with thirty (30) locomotives; three hundred and fifty (350) cars; one hundred and eighty-seven (187) persons employed in the transportation depot, and four thousand (4,000) in the railroad service; average despatched per day, 40 cars. On the 14th of September, 1864, the number of miles of railroad in use was nine hundred and fifty-six (956;) the number of locomotives, one hundred and sixty-five (165;) of cars, fifteen hundred (1,500;) of persons employed in transportation department, one hundred and fifty (150;) in railroad service, ten thousand eight hundred and five (10,805;) despatched per day, 150 cars.

There had been transported by railroad in the above period 298,528 tons of freight and supplies, and over 140,000 troops.

This is a statement of the despatch south. The road being for a considerable part of the time fully occupied in sending forward supplies, the great movement of troops was made by marching from Nashville south.

The return business from the front included vast numbers of disabled and broken-down animals returned to the depot for sale or for recuperation at the base of supplies; about 10,000 rebel prisoners; 40,000 sick and wounded soldiers; 50,000 returning veteran volunteers, and 50,000 tons of returned freight.

The expenditures at Nashville by the quartermaster's department, exclusive of the military railroad service, amounted to nearly fourteen millions of dollars ($14,000,000.)

During the last session of Congress a bill was passed for the better organization of the quartermaster's department. It has not been as yet possible to carry all its provisions into full effect, but much progress has been made. It has improved the efficiency of the organization in the field materially; has encouraged officers, who see that good service meets with the reward of honorable advancement; and has given general satisfaction. I do not doubt that it will, by its more thorough system of division of labor and responsibility in this office, by the means it provides for frequent and systematic inspections, and for the examination of accounts and reports, introduce great economy into the service. It has already been the means of ridding the service of several unfaithful officers, and of removing imputations unjustly cast upon others.

The organization as now established, I believe, will be sufficient to meet the demands of the most extended war. Higher rank in some of the most important positions is desirable; but this, though proposed to Congress, was not granted.

More clerks are needed, as stated in a former part of this report, for the thorough and efficient organization of the department.

All difficulties in providing a sufficient supply of clothing and material for our increasing army have disappeared. The manufacturing power of the country has so expanded as to fully meet the demands. Prices have advanced with the increase of taxation and duties, but not to the extent feared. Horses, which were bought at the outbreak of the war for $125, cost now $170, a difference not so great as the difference in the value of the currency in which they are paid for. And it may be said generally, that while prices have advanced, they have not advanced in proportion to the appreciation of the metallic currency.

RAILROAD TRANSPORTATION.

The arrangement made early in the war with the railroad companies of the United States, assembled at your request in convention in this city, by which a uniform rate of transportation for troops and munitions of war was established, on terms greatly below those charged to private individuals, has continued. The revenue laws have authorized the addition to the agreed rates of the amount of the taxes since imposed; otherwise, the arrangement remains unchanged.

Some few roads have made application for higher rates; but the great majority of the railroads, notwithstanding the general advance in prices, and the great increase in the business which crowds upon them, patriotically supporting the government, have expressed their willingness to continue the tariff then established, and have continued to perform with alacrity and despatch all service required of them by the government.

MILITARY RAILROADS.

The general management of the military railroads of the United States—that is, of those which the public exigencies have compelled the War Department to take into its own hands—has been under the direction of Colonel, now Brevet Brigadier General D. C. McCullum, United States volunteers. Of his services in connexion with the campaign in the west I have spoken in another part of this report.

He had recommended himself for that duty by the order, system, and efficiency which he had established in the management of the railroads in the east.

The roads worked as military railroads are such as, having been captured from the rebels, being located within the rebellious districts, have been of necessity taken possession of by the military commanders, and have been repaired, stocked, and operated by the War Department, as avenues of supply to our advancing armies. It has not been found necessary to interfere by military power with any of the railroads in the loyal States. Though, under the special act giving the President authority to take military possession of them, a general order was issued taking technically such military possession, yet they have practically continued under the control of their directors and managers, who have cheerfully met every demand.

Some of the military railroads have been repeatedly interrupted; some have at times been abandoned by our troops, and afterwards reoccupied and repaired again and again.

The Aquia Creek railroad, from Aquia creek, on the Potomac, to Falmouth, opposite Fredericksburg, has been several times reoccupied and repaired. The last time this was done was during the campaign of this spring, when, with extraordinary energy, it was repaired, including the rebuilding of the Potomac Creek bridge, four hundred and fourteen feet in length and eighty-two feet in height, which was accomplished in the short space of forty hours. The road itself, thirteen miles in length, was opened within five days after the order to commence work upon it was given.

The movements of the army of the Potomac, and its change of base, caused the abandonment of the road almost immediately after it was opened; but the cost of construction was repaid by the removal of several thousand men wounded in the battles of the Wilderness, who, without the aid of this road, must have been abandoned in the hospitals improvised in Fredericksburg. All the machinery and rolling stock, so quickly placed upon the road, was brought off without loss. The bridges were left to their fate.

The rebel armies have no construction corps, organized under a general system and capable of accomplishing such results. To the rapidity of the reconstruction of the railroads behind General Sherman's army is due much of the

success of his movements which surprised the enemy, who supposed that the work of repair, which was never five days behind the army, would have detained it for weeks.

The expense of these operations has been great; but without it the campaign would have been impossible, and failure would have been more costly still.

MILITARY TELEGRAPHS.

The requisitions for construction, maintenance, and operation of the military telegraph during the fiscal year amounted to $606,000. Of this sum there was applied to purchase of material $206,000; the balance being absorbed by wages of operators and incidental expenses.

There were in operation during the year 6,500 miles of military telegraph, of which 76 miles are submarine.

One-half of the above, or 3,000 miles, of which 38 were submarine, was constructed during the war.

About one thousand persons have been constantly employed in this service.

One million eight hundred thousand telegraphic messages were transmitted during the year.

The average cost of these messages, therefore, charging the whole yearly expense of construction, maintenance, and operation to them, would be only thirty (30) cents.

The operations of the military telegraph, under the superintendence of Colonel Anson Stager, superintendent, and Major Thomas T. Eckert, the assistant superintendent at the War Department, have been conducted with fidelity and skill. The operators have shown great zeal, intrepidity, and fidelity. Their duties are arduous, and the trust reposed in them is great. I have seen a telegraph operator in charge of a station in a tent, pitched from necessity in a malarious locality, shivering with ague, lying upon his camp cot, with his ear near the instrument, listening for the messages which might direct or arrest the movements of mighty armies. Night and day they are at their posts. Their duties constantly place them in exposed positions, and they are favorite objects of rebel surprise.

It is much to be desired that some mode of recognizing and rewarding the bold, faithful, and most important services of these gentlemen should be provided. Their position and duties give them the earliest information of the most important and confidential secrets and orders, and the instances of infidelity have been very rare.

CLOTHING, CAMP AND GARRISON EQUIPAGE.

The clothing and the greater part of the camp and garrison equipage of the army are provided by contract, by purchase, and by manufacture, at the several principal depots, which, during the fiscal year, have been as follows:

New York depot, under charge of Lieutenant Colonel D. H. Vinton, Deputy Quartermaster General.

Philadelphia depot, under charge of Colonel G. H. Crosman, Assistant Quartermaster General.

Cincinnati depot, under charge of Colonel Thomas Swords, Assistant Quartermaster General.

Saint Louis depot, under charge of Colonel Wm. Myers, quartermaster and aide-de-camp.

There are several branch depots, at which clothing is made up, the materials being supplied from the principal depots. These are at Alton, Illinois, and Steubenville, Ohio.

The supply of clothing and equipage has been ample, and the quality excellent. Very few complaints are now received from the army of defective material or workmanship.

Some instances of infidelity in inspectors, and of fraud on the part of dealers, have been charged, and the accused parties are now undergoing investigation before proper tribunals, which will doubtless ascertain and punish the guilty. To the perseverance and ability of Colonel W. S. Olcutt, special commissioner, the merit of the success of this investigation is due.

Of the principal articles of clothing and equipage these depots have supplied during the fiscal year the following quantities:

Uniform coats	218,288	Wedge or common tents	136,442
Uniform jackets	635,655	Shelter tents	801,996
Uniform trowsers	3,067,271	Bed sacks	220,429
Drawers	4,761,540	Regimental colors	927
Shirts, flannel	4,743,603	Camp do	2,222
Greatcoats	1,485,593	National do	771
Blankets, woollen	1,890,772	Flags	5,613
Do. water-proof	1,421,433	Guidons	5,831
Blowses	2,099,684	Picks	63,050
Shoes, pairs	2,736,510	Axes	166,320
Boots, pairs	1,028,291	Spades and shovels	81,589
Stockings, pairs	6,838,609	Hatchets	71,476
Hats	1,068,849	Mess pans	325,216
Caps	1,124,773	Camp kettles	207,154
Knapsacks	760,609	Bugles	9,018
Haversacks	2,045,554	Trumpets	7,066
Canteens	1,845,188	Drums	13,451
Hospital tents	9,698	Fifes	14,830
Wall tents	33,164		

The stock in the principal depots ready for issue, but not issued to troops at the end of the fiscal year, June 30, 1864, was as follows:

Uniform coats	351,152	Wedge or common tents	47,626
Uniform jackets	220,796	Shelter tents	256,002
Uniform trowsers	503,437	Bed sacks	199,555
Drawers	1,337,091	Regimental colors	252
Shirts, flannel	2,014,716	Camp colors	2,000
Greatcoats	822,429	National colors	346
Blankets, woollen	419,540	Flags	2,280
Do. water-proof	293,897	Guidons	1,394
Blowses	530,701	Picks	73,534
Shoes, pairs	1,591,094	Axes	73,127
Boots, pairs	311,460	Spades and shovels	84,029
Stockings, pairs	1,374,962	Hatchets	69,810
Hats	323,044	Mess pans	256,176
Caps	446 913	Camp kettles	103,209
Knapsacks	487,409	Bugles	4,849
Haversacks	390,529	Trumpets	2,232
Canteens	667,716	Drums	5,891
Hospital tents	2,293	Fifes	12,427
Wall tents	12,719		

For further details of the supply of clothing, camp, and garrison equipage, I respectfully refer to the tables at the end of this report.

The clothing now made is of excellent quality, durable, strong, and of domestic manufacture. Owing to the reduced supply of cotton in the market, and its high price, it has been necessary at times to purchase a lighter material for tents than was desirable, and linen has, to some extent, been used in their manufacture.

This has had the effect of producing an important saving in expenditure, but some of the stuffs used for the purpose have proved to be too light, and permeable to rain, and have not given satisfaction. Some frauds have also been committed, the perpetrators of which are now being prosecuted.

The officers in charge of this branch of the work of the department have shown commendable vigor and industry in the control of this important business, and merit the approbation of the department.

FORAGE.

The supply of forage to the animals of the cavalry and artillery service, and of the trains, has been a business of great magnitude and of much difficulty.

Our armies have constantly operated in the enemy's country, which has been devastated by both friend and foe. Some of them, remaining long without motion, have entirely exhausted the supplies within the reach of foraging parties, and by far the greater part of the forage which has sustained them has been sent to them at great expense from the remote northern States.

Large armies, which in a hostile country do not move actively, can be sustained only in the vicinity of navigable waters or of railroads. While stationary they depend upon the bases of operations and depots on the frontier, and in the northern States, for all their supplies. Those which move rapidly, as General Sherman did, in his march from Memphis to Knoxville and back to Decatur, live, in a great measure, upon the country in which they operate, and thus the actively moving armies draw far less severely upon the resources of the quartermaster's department and of the treasury than those which are unable to advance.

During the late movements of General Sherman in pursuit of the rebel army after the capture of Atlanta, his communications having been destroyed by the operations of the enemy, his army has supplied itself with forage almost entirely from the hostile country, and it has been abundantly supplied.

Before the victory at Chattanooga, in November, 1863, there was much loss of animals in the army of the Cumberland for want of forage. After that date, the communications being opened and improved, that army was refitted with trains and animals, and there has been no scarcity. The other armies have been constantly and abundantly supplied throughout the year.

The reports of the total quantities of forage purchased and forwarded to the armies are imperfect as yet. They indicate that about twenty millions of bushels of oats and corn, and about two hundred thousand tons of hay have been furnished by the depots.

TRAINS.

The trains of the armies of the United States as organized, with the benefit of the long experience in operations upon the western plains, and the greater experience of the present war, are nearly perfect. The wagons, harness, and other material are strong, durable, and simple in construction and repair.

The wagons and harness are of the model long used with success in movements of troops upon the high and arid plains at the base of the Rocky mountains, and among the rough defiles of that great chain. The wheels, axles, and other principal parts, are made with such accuracy as to interchange. Portable forges, with boxes of smiths', wheelwrights', carpenters', and saddlers' tools accompany all the larger divisions of the trains, and spare parts and materials for repair are carried with them. Thus any ordinary repairs can be made during the night halt, and it is seldom that it is really necessary for an efficient and intelligent officer to abandon a wagon on the march.

There has been purchased during the year about 9,500 army wagons, 1,100 ambulances, and harness for 175,000 animals.

CAVALRY, ARTILLERY, AND TRAIN ANIMALS.

The special reports of animals and means of transportation with the several armies during the year are imperfect, and the accounts and returns of officers which contain the exact information have not yet received their final examination; but I estimate, from such inspection of the reports as I have been able to effect, that there are about 300,000 horses and mules in the service of the army, of which the horses are about 170,000, and the mules about 130,000.

The reports received from armies numbering 426,000 enlisted men, show that there were present with the armies 221,059 animals; among which there are 113,684 serviceable horses, and 87,791 serviceable mules.

The remainder were oxen and unserviceable horses and mules.

With the armies there were present 17,478 army wagons of the transport train, exclusive of ambulances and of the artillery carriages, caissons, limbers, &c.

It appears, therefore, in practice, that the quartermaster's train of an army requires, on the average, one army wagon to every 24 or 25 men, and that the animals of the cavalry and artillery, and of the trains, will average one to every two men in the field.

The purchase of cavalry horses for some months past has been under the direction of the cavalry bureau. Since the passage of the law of the 4th of July, 1864, for the better organization of the quartermaster's department, the purchase of all animals for the department has been placed under the direction of the chief of the division of this office specially charged with the supply of horses and mules. The result is a more regular system, a better control of supply, and greater uniformity and greater skill in the inspection of all these animals.

There were purchased, according to reports received at this office, during the fiscal year ending June 30, 1864, 188,718 horses, 82,320 mules; and there were captured from the enemy in the same time, as reported, 20,308 horses, 9,013 mules.

Between the 1st of January and 30th of June, 1864, the cavalry bureau purchased and supplied to the army 48,719 cavalry horses. From 1st of July to 30th of September, 1864, it purchased 39,106 horses. The supply averages about 500 per day, which is also the measure of the destruction of these animals in service.

During the first eight months of the year 1864, the cavalry of the army of the Potomac was supplied with two remounts, nearly 40,000 horses.

To the army of General Sherman there were issued, through the Nashville depot, between the 1st of November, 1863, and 14th of September, 1864, 41,122 horses.

The inspection now enforced procures good, serviceable horses. The waste in active service is still too great; but as the cavalry has improved in discipline and knowledge, it is believed that the horses last longer.

The supply of fresh horses to the army of General Sheridan during his late campaign in the valley of the Shenandoah has been at the rate of 150 per day.

The broken-down horses and mules able to bear transportation are sent to the rear, where, at the depots, they are carefully examined and divided into classes.

Those affected with glanders, or other fatal and contagious diseases, are shot. Those which there is reason to believe can, in a reasonable time, by care and food, be made fit for cavalry, artillery, or ambulance service, are placed in comfortable stables, carefully tended, and fed upon proper and nourishing food.

The others are sold at auction in different parts of the country. Many of them die, but many of them also recover, so as to make good work-horses; and, supplying, to some extent, the wants of the farmer, they release an equal number of horses from agricultural labor to be sold to the government for the use of the military service.

I estimate that about fifty per cent. of the horses which reach the depots disabled and broken down are returned ultimately to the military service.

OCEAN TRANSPORTATION.

The operations of this department have required the constant employment of a large fleet of ocean steamers and sail vessels.

Early in the war the charter of these vessels was attended with many abuses. Experience was wanting in the officers called into the service, and charters were made in some cases at extravagant rates. The ownership of the steam vessels absolutely required for military expeditions was in a few hands, and some of these owners were able to take advantage of the inexperience of the officers, of the necessities of the government, and of their own practical monopoly of the means of transportation.

The high prices then paid, however, stimulated the construction of steam vessels adapted to the military service.

Committees of Congress took up and investigated the subject, and developed some of the most glaring cases, and the department, thus informed, took stringent, effective, perhaps in some cases arbitrary, though necessary, measures to produce reform.

The services of experts were engaged; officers of the navy were detailed under the law to inspect and appraise steamers offered for charter or sale to the department; and settlements of some of the most extravagant claims were made at greatly reduced rates. In some cases where the amount paid had already far exceeded the value of the vessels, and of the service they had rendered, they were taken possession of, and all further compensation was declined, the claimants being referred to Congress for such action as the true interests of justice and the public service might dictate.

A clause was introduced into all charters giving the United States the right to purchase a chartered vessel at any time during the continuance of the chartered service, upon paying a reasonable percentage upon the original valuation of the vessel, and upon the cost of her maintenance. Should the chartered rates be too high, the result is that the vessel soon becomes the property of the United States.

Under this clause a large number of vessels have been purchased and are now in the service, with great saving to the government.

The quartermaster's department now owns and constantly employs on the coast a fleet of thirty-nine (39) ocean steamers, and forty-five (45) river and bay steamers; twenty steam tug-boats, two barks, two brigs, twenty-one schooners, and twenty-nine barges, with an aggregate burden of 48,729 tons, and costing $4,228,233.

The coast fleet of chartered vessels at this time consists of seventy-four (74) ocean steamers, one hundred and sixty-four (164) river and bay steamers, fifty-one (51) steam tug-boats, eight (8) ships, four (4) barks, seven (7) brigs, eighty-six (86) schooners, and two hundred and eight (208) barges. Their aggregate burden is 158,694 tons, and the daily cost of the charter-parties, exclusive of coal, which the department furnishes, is $56,450 16.

For further details reference is respectfully made to the tables which accompany this report.

List of vessels chartered and owned in the service of the United States October 15, 1864.

	CHARTERED.			OWNED.		
Class.	No.	Tonnage.	Exp'se pr. day of charter.*	No.	Tonnage.	Cost of vessels.
Sea steamers	74	59,341 82/95	$25,982 39	39	23,293 33/95	$2,383,000 00
River steamers	164	42,150	19,446 12	45	15,170 3/95	1,601,027 00
Tug-boats	51	4,074 1/95	4,108 00	20	1,981	66,742 00
Ships	8	6,370	1,227 32			
Barks	4	1,418	225 00	2	741	25,000 00
Brigs	7	2,107	281 63	2	623	9,750 00
Schooners	86	15,142	2,386 57	21	3,034	89,650 00
Barges	208	28,092	2,793 85	29	3,886	53,064 00
Total	....	153,694 82/95	56,450 88	....	48,729 1/95	4,228,233 00

* Exclusive of coal, which is furnished by the government.

GUNBOATS AND ARMED TRANSPORTS.

The larger and more powerful steamers owned or chartered by the department, and employed in the transportation of troops and supplies along the coast, have been generally armed sufficiently to enable them to defend themselves against privateers, or to capture such blockade runners as in their cruises they may overhaul. Several captures have been made by these vessels. Upon the bayous of the southwest, where transports are constantly liable to attacks by partisans, or even by large detachments of the rebel forces, the transport steamers have also been generally provided with guns and arms. In these waters, and at the mouths of the Mississippi river, several of the department vessels have been surprised and captured. This misfortune is less frequent since the habit of arming them, and of holding the commanders and crews to a rigid accountability, has been established by Colonel Holabird, chief quartermaster, department of the Gulf, under authority from the War Department.

The Mississippi marine brigade has been disbanded, its officers mustered out of service, and its men distributed to the regiments to which they originally belonged. The material of the fleet, the transports, and rams, and tug-boats, of which it consisted, however, still remain the property of the department, and are stationed at various points on the Mississippi, ready for the transport of troops to any point at which they may be required.

Upon the upper Tennessee, it being impracticable for the gunboats of the naval flotilla to ascend above the Muscle shoals, four steamers were constructed in the quartermaster's dock-yard at Bridgeport, under the direction of Captain Arthur Edwards, assistant quartermaster, and, when launched, placed at the disposal of the Navy Department, to be armed and equipped, and manned as gunboats, to patrol the Tennessee from the Muscle shoals to Knoxville.

Upon the Ohio, at a season of low water, when an advance of the rebels to that river was threatened, and incursions had been made by guerillas, seizing peaceful trading steamboats and destroying some transports engaged in the service of this department, six steamers were chartered by the advice of the governor of Ohio, armed and fitted for patrolling this river. They are still in service, but as the season of high water now diminishes the need of constant patrol, it is proposed, without moving the armament, to make use of them as transports.

Commanding generals of all maritime departments desire to have subject to their immediate orders a few armed light-draught gunboats or transports, to be

used in movements of troops upon the bays and inland channels of navigation, in which they find it difficult always to command the services of the naval flotilla.

At a time when the naval fleets were imperfectly organized, this aid from the quartermaster's department was no doubt necessary. Now the policy of continuing the employment of these vessels, except as transports, is doubtful. Quite a number of these vessels still remain in service upon the James and the waters of North and South Carolina.

The department is constructing at Philadelphia four (4) light-draught steam ferry transports, capable of carrying a battery of artillery, with its horses, a train of wagons, or a regiment of infantry, crossing the widest estuaries, or even making short sea voyages, and still of such light draught as to run in shore and make landings without the construction of wharves or docks. They are of about 350 tons burden, strongly built, and will be very useful in operations along the South Atlantic and Gulf coasts, and in ascending the navigable rivers which empty into the Gulf of Mexico.

SOLDIERS' CEMETERIES.

Careful records of the burials of soldiers in the cemeteries in the neighborhood of Washington have been kept.

The grounds near the "Soldiers' Home," north of the city, having been filled by the burial of nearly 8,000 persons, by your direction a portion of the Arlington estate has been appropriated as a national cemetery. The grounds have been carefully surveyed and suitably laid out and enclosed. Already nearly 3,000 interments have taken place in this national cemetery. The graves are carefully sodded, and at the head of each is planted a neat head-board, painted white, on which are inscribed, in black letters, (the number referring to the burial record,) the name of the soldier, his company and regiment, and the date of his death.

I transmit herewith an extract from the report of Captain James M. Moore, assistant quartermaster, who has, during the greater part of the fiscal year, had charge of interments of soldiers dying in Washington.

The bodies of the loyal officers and soldiers who fell in the sortie from the defences of Washington which drove off the rebel army in July last have been buried in a piece of ground selected for the purpose in the midst of the battle-field, and in sight of Fort Stevens. It is hoped that Congress may see fit to cause a monument to be erected to the memory of these patriots, who fell in the defence of the capital itself.

In other cities around which hospitals are collected, under general orders and regulations, careful records of burials are kept, which should ultimately be transmitted to Washington, and there preserved for future reference.

MILITARY ORGANIZATIONS AMONG THE OPERATIVES OF THE QUARTERMASTER'S DEPARTMENT.

Many of the persons employed as mechanics, teamsters, laborers, wagon and forage masters, clerks, and in other service of the great depots of the quartermaster's department, are soldiers of experience, who have been discharged at the expiration of their enlistment, or in consequence of disability from wounds or other causes.

The desire to send all available troops to take part in the decisive and capital operations of the campaigns tends constantly to reduce the guards and garrisons for protection of the immense stores collected at the depots to the lowest limit consistent with safety.

The enemy, taking advantage of this tendency, has more than once threatened some of the most important depots situated near the border. Washington has been more than once seriously threatened. Louisville and Cincinnati have been the subjects of serious demonstrations, and Nashville has twice had an

active enemy near enough to threaten it while the victorious army of General Sherman was three hundred miles in advance of this, his immediate depot and base of operations.

To meet such dangers you directed that the operatives and others employed in these important depots should be organized into regiments, officered, armed, and drilled at intervals, so as to make a force available, in case of emergency, to relieve the regular garrisons of internal guard duty, and even to take their places alongside of the regular troops in the defences.

The force organized from the quartermaster's department in Washington and its dependencies numbers about five thousand men; that at Nashville numbers nearly seven thousand.

Twice have the quartermaster's forces in Washington been called out to perform guard duty; once they have taken their place in the trenches and assisted to repel an attack upon the capital. A large detachment of them, about fourteen hundred strong, has lately been detailed to proceed to the front and remove the timber which sheltered guerillas attacking one of our important railroad lines of supply.

Those at Nashville have twice been placed under arms when that city has been threatened by the rebel cavalry, and lately a detachment of them pursued and recovered from the rebels a captured drove of cattle belonging to the subsistence department.

Of the number and force of the organizations at Louisville and Cincinnati I have as yet no full report.

I am pleased to be able to report that the men employed in this department have responded to this call upon them for services in defence of their country with the same cheerful alacrity and patriotism with which our people generally have met the perils and labors and sufferings of this war for human rights and liberty.

NEGRO LABOR.

This department has employed persons of African descent to perform the labor of teamsters, grooms, laborers upon docks and wharves, upon steamboats, and, generally, in all the manual labor for which their previous training has fitted them. The supply has not been equal to the demand. Seeing that the public prints represented that there was much distress among the colored refugees in the southwest and in North Carolina, application has been made to the commanding officers of those districts to furnish for the work of the depot of Washington and of the quartermaster's department of the army of the Potomac negroes, to whom good wages and good treatment would be guaranteed. These applications have been unsuccessful.

Major General Canby, commanding division of west Mississippi, reports that there are not enough laborers in that department to meet the requirements of the public service; that it is necessary to detail soldiers from the ranks for much labor indispensable to the success of military operations, thus reducing the fighting strength of his command. And Major General Banks reports that "there are no negroes in the department of the Gulf that are not wanted, either in the army or for other public service, and not a man, woman, or child can be spared."

Much distress, doubtless, attends the sudden change of condition of these people from slavery, in which their wants were provided for by their masters, to freedom, in which they must abandon their former homes and support and provide for themselves. But the fact that employment is ready for them all shows that this distress should not be of long continuance, and that this great social revolution is being accomplished with much less suffering to the oppressed and liberated race than was to be feared.

The refugees who flocked to Washington at the beginning of the war con-

gregated in camps and hovels in the outskirts of the city, and it was some time before proper measures could be devised and inaugurated for their relief.

The care and general superintendence of these refugees were, after some time, committed to Lieutenant Colonel E. M. Greene, assistant quartermaster United States volunteers, then chief quartermaster of the department of Washington.

The proceeds of an assessment of five dollars per month upon the wages of the able-bodied employed in the public service in Washington and Alexandria were applied to the support and relief of the women and children who had escaped with them from the rebel territory, and the result has been highly successful and creditable to the intelligence and judgment of the officer in charge.

Neat and comfortable quarters were erected, supplied with water and facilities for cleanliness and police; schools were established, and hospitals for the aged and infirm; vacant lands, abandoned by rebel proprietors, were reclaimed and put under cultivation, and the mortality, which was great while they lived in filth and neglect on the outskirts of Washington, was arrested, and they have been maintained with comparatively little expense to the government. Their husbands and fathers are in the service of the army, either as soldiers or laborers. Many of the women and children have been provided with employment and homes in the agricultural districts of the northern States, and those who remain are clean and comfortable, and as contented as it is possible for any set of human beings to be whose condition has so suddenly and so greatly changed.

In my annual report of 1862 this subject was referred to, and the experience of two years of war has confirmed the views then expressed. The negro is not an embarrassment, but a great aid, in the conduct of the war.

ORGANIZATION.

The organization of the quartermaster's department, as authorized by the law of August, 1864, is simple and efficient.

With the troops are—

1. To each regiment a regimental quartermaster, with rank of lieutenant. He has charge of the property of the quartermaster's department with the regiment, such as the wagons, harness, and animals of the regimental train, and the tents and equipage which pertain to the regiment. He receives in bulk, and issues to the proper officers, the clothing, forage, and other supplies furnished by the quartermaster's department for the use of the regiment.

2. To each brigade, consisting of two or more regiments, an assistant quartermaster, with the rank of captain. He is commonly designated as the brigade quartermaster. He receives, takes charge of, and transfers to the proper officer, all property and supplies furnished for the use of the brigade, and has charge of the brigade train, its material, and animals. He distributes supplies to the regimental quartermasters.

3. To each division, of two or more brigades, a quartermaster, with the rank of major. He is designated division quartermaster, and performs duties relating to the division similar to those attributed for a brigade to the brigade quartermaster.

4. When several divisions are organized into a *corps d'armée* a chief quartermaster for the corps is designated, with the rank of lieutenant colonel. He has the general superintendence of the affairs of the quartermaster's department within the corps.

5. When several corps are united into an army, a chief quartermaster, with the rank of colonel, is designated.

Each of these officers exercises a general supervision over the conduct of the officers and agents subordinate to him and within his command. Each takes his orders and instructions from the commander of the body of troops to which he is attached, and also from his immediate superior in the quartermaster's department.

Funds for the necessary expenditures of the operations of the quartermaster's department, with troops in campaign, are furnished on the requisition of the chief quartermaster, who is the senior officer of the quartermaster's department present with any army or separate corps; and being placed to his credit, they are by him disbursed or transferred to the corps, division, or brigade quartermasters, to enable them to pay for approved expenditures.

The efficiency of this organization is shown in the great marches which have been made by the army of the Potomac and by that of General Sherman, during which there has been very little loss of material of the trains, and little loss of draught animals, except that resulting from the bad state of the roads, in which many mules and artillery horses give out, and the loss of animals killed in battle when necessarily under fire.

To direct and control the procuring, safe-keeping, forwarding, transportation, and distribution of the clothing, forage, fuel, and other supplies, which it is the duty of the quartermaster's department to provide—and the list includes everything necessary to an army in the field or in garrison, except arms, ammunition, subsistence, and medical supplies, and all these are transported and stored by the quartermaster's department—officers are assigned as chief quartermasters of military departments, or of principal depots, the latter not exceeding ten in number, with the rank of colonel.

These officers, assisted by officers detailed to their aid from among the captains who are assistant quartermasters, and with occasionally the assignment of lieutenants of the line, to serve as acting assistant quartermasters, make, under the direction of the Quartermaster General's office, contracts and purchases for all needed supplies; provide for their inspection, storage, safe-keeping, and transportation from the principal depots in the loyal States to the subordinate or advanced depots which are established on the border, or at the points which have been won from the enemy, fortified and constituted advanced depots or bases of operations.

In addition to the principal depots, posts are established at important points, garrisoned by troops, at which the regimental quartermasters attached to the garrisons act as post quartermasters, or officers are specially assigned for this duty.

All these officers are held responsible to their immediate commanders and report to the Quartermaster General's office in Washington, to which place their returns of property and accounts for disbursements are finally sent, and in which they receive a careful examination before being transmitted to the treasury for final examination and settlement by the proper auditors and comptrollers.

The business of the Quartermaster General's office is distributed among nine divisions, each of which is charged with the supervision of its appropriate portion of the work of the department as prescribed by law.

The general control and supervision of the whole rests with the Quartermaster General, who receives his orders and instructions from the Secretary of War, and reports to him direct.

All requisitions for remittances of money from the treasury to officers of the quartermaster's department are referred first to the chief of the division of the officer having charge of the particular branch of expenditure for which the money is needed, and they then pass under the inspection of the Quartermaster General, who signs the request, which is submitted to the Secretary of War, and upon which, if he approves, is based the requisition which he addresses to the Treasury Department.

Six inspectors of the quartermaster's department, with the rank of colonel, under the immediate direction of the Quartermaster General or of the Secretary of War, visit and inspect the various armies, posts, and depots, and inquire into all reported or suspected abuses. From the services of these officers, whose reports are transmitted to the inspection division of the office, and there analyzed and acted upon, great benefit is expected.

Most of the officers holding high rank in this organization hold it by temporary assignment, the rank ceasing when, from any cause, they are relieved and transferred to other less onerous duties.

This enables the department to hold out to meritorious officers the hope of promotion in some degree commensurate with their efforts and success, and the system has already had a very happy effect in exciting emulation, and giving satisfaction to many who had toiled long and were growing discouraged, before the passage of the law of 4th of July, 1864, at the small prospect of promotion, while they were conscious that their duties were most important, their services most valuable, and their exertions, labors, and responsibilities as great as those of others who, entering the service with them, passed them rapidly by in the casualties and promotions of active service.

To some of the officers of this department, holding most responsible and important positions, commissions as brigadier generals of volunteers, or as brevet brigadier generals, have been given in consideration of most important and valuable service.

The report of Brigadier General Ingalls, United States volunteers, chief quartermaster of the armies operating against Richmond, (which is herewith,) gives details in regard to the march of the trains of an army, and the dangers and difficulties to be met and overcome, which will show the value and difficulty of the services of the officers of this department in the field. The guards of the trains are reduced as far as practicable by the natural desire of commanding generals to place every man possible in line of battle, and the officers of this department are obliged to pass back and forth, between the depots or the trains and the moving columns or the encampments of the troops, often with insufficient escort, frequently with none at all.

Many officers of the department have been captured in these marches, or in the endeavor to save their trains when attacked by partisans. Our chief quartermaster of the middle military division has fallen in such a journey. Lieutenant Colonel Tolles, chief quartermaster of the middle military division, under General Sheridan, long chief quartermaster of the 6th corps, while commanded by the lamented Sedgwick, was severely, supposed to be mortally, wounded while on his way from the depot at Washington to the headquarters near Strasburg. He is an officer of education, intelligence, and ability, zealously devoted to his profession, which he made the subject of careful study. As I write this I am informed that though his skull was fractured by a pistol shot there is still some hope of his recovery.

While the great body of the officers of the department have devoted themselves with fidelity to their duties a few have proved unfaithful, and, when known, have been removed. The number, however, is small.

The corps contained at the date of the last return:

Major generals (by brevet)	1
Brigadier generals and quartermasters	3
" " not on duty in the quartermaster's department	3
" " by brevet	2
Colonels	39
Lieutenant colonels	13
Majors	18
Captains	554
Military storekeepers	9
And regimental quartermasters about	1,500
Total	2,142

There are also a number of officers of the line assigned to duty as acting assistant quartermasters, and performing the duties of post or brigade quarter masters in the absence of officers regularly commissioned for these duties.

The principal posts of the department, those requiring the greatest ability and imposing the heaviest responsibility and labor, are the charge of the great depots of purchase and supply, the duties of the chief quartermasters of the moving armies, and those of the chief quartermasters of departments. Some of these I proceed to notice; to refer to all would too much extend this report.

Brigadier General Robert Allen, quartermaster, has acted as senior quartermaster in the valley of the Mississippi during the fiscal year. In referring to the operations for the supply of the army in Georgia I have reported the transfer of his headquarters from St. Louis to Louisville when the latter point became the principal base of certain military operations in the west.

This officer has exercised a general supervision and control over the officers acting in the western country, and has controlled the great operations for supplying the armies on the Mississippi, in Missouri, in the northwest, and in Kentucky, Tennessee, and Georgia.

The uniform success of these operations, in providing ample supplies for armies at the most distant points, attests his ability, his zeal, and his desert. By the supervision which he has exercised over the accounts and vouchers made up by other officers in the west, great part of which have passed under his revision before final payment, he has effected the saving of very large sums. No more faithful or more able officer is in the service of the government.

Brigadier General D. H. Rucker, quartermaster, has continued in charge of the depot of Washington. Through this depot passes the principal part of the supplies to the armies operating in Virginia. From the magnitude of these armies, the extent of their marches, and the number and severity of their conflicts with the enemy, the waste and destruction of property have been very great, and the operations for providing and transporting to their advanced depots subsistence, forage, clothing, munitions, animals, and troops, have been on the most extensive scale.

All these operations have been conducted with despatch, order, and regularity, and the large force of men employed about the depot have been governed in such a manner that discontent and disorder have been prevented.

To General Rucker, and the assistants in charge of the various branches of the service in this depot, these results are due.

204,000 bushels of corn, 1,600,000 bushels of oats, 22,000 tons of hay, 21,559 horses, 15,243 mules, 3,299 wagons, 933 ambulances, harness for 74,000 animals, and an immense quantity of clothing, tents, equipage, building materials and quartermasters' stores have been received and distributed from this depot.

The financial statement shows his receipt and disbursement, or transfer to officers of this department, of $17,048,005 19.

Of the chief quartermaster of the army of General Sherman I have spoken in the beginning of this report.

The chief quartermaster of the army of the Potomac, and lately of all the armies operating against Richmond, has been Brigadier General Rufus Ingalls. I submit with this three of his reports.

They are his annual reports for the fiscal years ending 30th June, 1863 and 1864, and a special report upon the outfit and preparation of the army for the rapid movement which resulted in the unfortunate battle of Chancellorsville.

These reports contain so much information upon the organization, equipment, and movement of the baggage and trains of the army which will be instructive and valuable in the further military operations of our country, that I hope they may be printed with the annual message, and thus be made available for the instruction of officers of this and other departments.

The ability and zeal of General Ingalls, shown in the conduct of the quartermaster's department of the principal army of the republic, have been frequently brought to your notice. They have been as conspicuous in the last arduous campaign as heretofore,

The depot of clothing and equipage at Philadelphia is the largest in the United States. It has not only furnished clothing, but has also provided much material, which it has forwarded to other manufacturing depots, to be there made up into clothing. It has been under the charge of Colonel George H. Crosman, an officer of experience and ability, under whose management it has promptly met every demand. His financial statement shows the receipt during the year of public money to the amount of $23,587,057, nearly all of which has been expended in the operations of the depot, this not being a station from which many disbursing officers receive their funds.

The depot of clothing and equipage at New York has been under the charge of Lieutenant Colonel D. H. Vinton, deputy quartermaster general. Its conduct has been such that no complaints against it have reached the department during the past year. The financial statement shows the receipt and expenditure of $23,648,683.

The tables at the end of this report, giving the quantities of material of war on hand at these several depots at the end of the year, will give some idea of the magnitude of the operations.

The depot at Cincinnati has been under charge of Colonel Swords, with Captain C. W. Moulton in immediate charge of the clothing and equipage. Colonel Swords, as senior and supervising quartermaster of the department of the Ohio and Cumberland, was called upon to supply funds to many disbursing officers. In this duty, and in the operations of the depot, he reports the receipt and expenditure or distribution of $27,480,894.

Colonel William Myers, assistant quartermaster and aide-de-camp, has been stationed at St. Louis during the fiscal year. Under the direction of Brigadier General Robert Allen, senior quartermaster in the valley of the Mississippi, he has been the principal disbursing and financial officer of the department.

He reports that he has received by transfers from other officers and by direct remittances from the treasury during the year, and for sales of property $34,615,582 45

He has disbursed, or transferred to other officers for disbursement 34,559,855 26

Leaving on hand 30th June, 1864 ..... 55,727 19

His duties have been discharged with rare ability and intelligence, and to the entire approbation of his superior officers.

At New York, Major J. Van Vleit, quartermaster, has had charge of the operations of the quartermaster's department not relating to the purchase and supply of clothing and equipage.

The provision of other supplies to be shipped to troops in the field or in camp, excepting forage, which for the greater portion of the year has been under the direction of an officer specially assigned, the line of men to be sent to the various depots on the coast, the transportation by rail or water of troops and supplies passing through New York, and the charter of steamers and vessels for the movement of stores of all kinds, and for the outfit of military expeditions, the erection of numerous hospitals and barracks, have been, at this point, under charge of this officer, who has labored steadily, and with success, at his post, and deserved the approbation of the department. His financial statement shows the receipt and expenditure or distribution of $16,998,682.

At Philadelphia, Captain A. Boyd, assistant quartermaster, as assistant quartermaster to Colonel Crosman, was charged with the duties of transporta-

tion and the purchase of regular quartermasters' stores. Upon this office also was devolved the duty of directing the shipment of coal for the supply of the steam transports in the service of the department, and the erection of hospitals and barracks in the vicinity of Philadelphia.

255,376 tons of anthracite coal have been shipped from this depot during the fiscal year. His receipts and expenditures during the year amounted to $8,050,010.

Captain James A. Ekin, now colonel in the quartermaster's department, had charge, during the early part of the year, of the depot at Indianapolis, where his ability and steady devotion to duty were so signal, that he was transferred to the charge of the quartermaster's department of the cavalry bureau and depot in this city, and, on the reorganization of the Quartermaster General's office, was placed at the head of the division for the supply of horses and mules to the army. This officer reports that while depot quartermaster at Indianapolis, and while chief quartermaster of the cavalry bureau, he supplied during the fiscal year to the army 62,450 horses and 1,400 mules. His receipts and expenditures and transfers of money to other officers have amounted to nearly $12,000,000.

Of the great depot at Nashville I have spoken in another part of this report. It has been, since 1st November, 1862, under the charge of Lieutenant Colonel (now Brigadier General) J. L. Donaldson.

The depot at Louisville has been under the immediate supervision of Brigadier General Robert Allen, whose duties and services have been also noticed in the former part of this report.

The depot at Baltimore was organized by Lieutenant Colonel J. L. Donaldson, and, after his transfer to Nashville, was placed in charge of Captain Charles W. Thomas, assistant quartermaster, who conducted it with fidelity and success.

The depot at Fortress Monroe has been under charge of Colonel Herman Biggs, now inspector of the quartermaster's department, then chief quartermaster department of Virginia and North Carolina. His management of the extensive business there transacted, particularly as shown in the embarkation and transportation of 35,000 troops, with their material and supplies, with such despatch that they were landed by surprise at City Point, and seized, without opposition, that important post, within twenty miles of Richmond, are highly commended by his commanding officers. His financial statement shows the receipt of $1,856,278 91.

Colonel S. B. Holabird, aide-de-camp and quartermaster, has been chief quartermaster of the department of the Gulf since General Banks assumed command in the southwest.

The position is a very difficult one to fill; the responsibility is very heavy. He has succeeded in providing amply for the wants of the troops operating in a hostile country, intersected by water-courses, and obstructed by thickets and swamps. Owing to the unfriendly state of feeling among the population of New Orleans, the throng of eager traders in cotton, sugar, and other productions of the rebel territory at this commercial centre, the seizure and appropriation to military purposes of large quantities of property for which numerous claimants, loyal or disloyal, spring up, he has been subject to unusual opposition, which he has borne, and through which he has striven with signal devotion and energy to fulfil his duties to the department and to the country.

The troops in this department have had a varied fortune, sometimes moving by the Gulf, sometimes by the intricate bayous and water-courses of the interior; sometimes with success, and sometimes with great disaster. Through all fortune, and in every field of operation, however, under the energetic management of Colonel Holabird, the troops have been kept supplied with those articles which it is the duty of the quartermaster's department to furnish or to transport.

The depot at Fort Leavenworth, which is the base of supplies for all troops in the department of Kansas and New Mexico, and for those operating on the

great plains, has been under charge of Captain H. C. Hodges, assistant quartermaster, who has managed it with fidelity and ability. His financial statement shows the receipt and expenditure or distribution during the year of $4,040,948.

Major (now Colonel) J. C. McFerran has had charge of the operations of the department in the department of New Mexico. He has been most strongly commended in the despatches of the general commanding, and has been recommended for promotion.

The affairs of the department on the Pacific coast has been under the charge of Colonel E. B. Babbitt, deputy quartermaster general, chief quartermaster of the department of the Pacific, assisted at the San Francisco depot by Major K. W. Kirkham, quartermaster. Much of the clothing and other material for the supply of the army on the Pacific has been manufactured in California, whose woollen mills produce excellent army cloth and blankets.

The importance of securing some cheaper, more rapid, and safe means of military communication with the great provinces and States on the Pacific coast has already attracted the attention of Congress. In case of domestic disturbances or foreign war, the government would be crippled by the difficulty, slowness, and insufficiency of the present means of transportation and communication.

It is, in a military sense, of the utmost importance that the Pacific railroad should be pressed vigorously to the earliest possible completion.

With a blockaded coast, or even should our fleet be so powerful as to prevent any actual blockade, it would be extremely difficult and expensive to maintain and supply an army in those distant territories, with communication only by sea, under convoy of armed vessels, or by the slow march of wagon trains from Independence to San Francisco.

Colonel A. J. Perry, now chief of the division of clothing and equipage of this office, has been throughout the fiscal year in charge of the duties now assigned by law to this division. To him is justly due much of the credit for the system, order, regularity, and certainty with which the clothing and equipage of the army has been provided.

All returns and reports from the various purchasing and manufacturing depots of the supplies, and all reports and returns of officers who receive and distribute or become in any way responsible for them before their final issue to the troops in the field, are sent to the branch of the office under his supervision, and there examined and finally reported to the Treasury Department for settlement.

The other officers on duty in this office, Assistant Quartermaster General Colonel Charles Thomas and the officer in charge of the several branches of the office, have been constant and sedulous in their attention to the laborious and responsible duties imposed upon them—duties which never cease, and which, as the war proceeds and expands, and the army grows, constantly increase.

The examination, record, and preservation of the contracts, reports, returns of the expenditure of the department, the assignment of officers to posts suited to their respective capacities and experience, the examination of the intricate questions involved in the settlement of disputed accounts and claims arising either under contract or purchase, or from the necessary forcible seizure and appropriation of property by armies in the field, the issue of the instructions necessary to guide the officers of depots, departments, and of separate commands, the direction of the provision and transportation of needed supplies to the different and distant seats of active war—all these have their direction and control at this office, and fully occupy its officers.

Boards have been organized under the law requiring officers of this department to be examined, and these boards will doubtless enable the President to sift out of the service the incompetent and inefficient and unworthy, of whom, in so large a body of officers, some must be found.

APPROPRIATIONS.

The appropriations for the service of the quartermaster's department since the outbreak of the rebellion have amounted, as shown by the table transmitted with this report, to the sum of nine hundred and thirty-eight million, nineteen thousand four hundred and seventy-one dollars and ninety-five cents, (938,019,471 95.)

With an army of nearly a million of men in the service, the expenditures must continue to be large, and there can be no doubt that great as have been these expenses, true economy requires the most ample provision of all necessary supplies to soldiers who are the bone and sinew, the blood, the wealth, and the life of the nation.

That an army is wasteful is certain, but it is more wasteful to allow a soldier to sicken and die for want of the blanket or knapsack, which he has thoughtlessly thrown away in the heat of the march or the fight, than to again supply him on the first opportunity with these articles indispensable to health and efficiency.

All of which is respectfully submitted,

M. C. MEIGS,
Quartermaster General U. S. A., Brevet Major General.

Hon. EDWIN M. STANTON,
Secretary of War.

LIST OF PAPERS ACCOMPANYING THE REPORT OF THE QUARTERMASTER GENERAL, 1864.

No. 1. The report of Brigadier General Rufus Ingalls, chief quartermaster of the armies operating against Richmond, for 1864. (Inclosures.) His annual report for fiscal year ending June 30, 1863, and a copy of report regarding the operations of the quartermaster's department during the battle of Chancellorsville.

No. 2. Copy of letter from Robert H. Ramsey, A. A. G., to Brevet Brigadier General J. L. Donaldson, chief quartermaster, department of the Cumberland, by order of the major general commanding.

No. 3. Extract from annual report of Captain James M. Moore, assistant quartermaster, depot of Washington, D. C., relating to the national cemeteries and the burial of deceased soldiers, and others dying in the service of the United States in hospitals in and about Washington.

No. 4. Abstract of appropriations for the quartermaster's department for the fiscal years 1862, 1863, 1864 and 1865, and including arrearages for 1861.

No. 5. Monthly statement of clothing, camp and garrison equipage, reported on hand at the various depots for 1st July, 1864.

No. 6. Report of principal articles of clothing and equipage received at the principal purchasing and manufacturing depots during the fiscal year ending June 30, 1864.

No. 7. List of vessels owned by the United States, October 15, 1864, (sea steamers.)

No. 8. Statement of vessels chartered or employed by the quartermaster's department during the fiscal year ending June 30, 1864.

No. 1.

OFFICE OF CHIEF QUARTERMASTER,
ARMIES OPERATING AGAINST RICHMOND, VA.,
City Point, Va., August 28, 1864.

GENERAL: In compliance with your General Orders No. 29, of the 6th ultimo, calling for an annual report for the fiscal year ending June 30, 1864, I have the honor to submit the following:

As my last annual report was submitted on the 28th of September, 1863, during your absence in the field, and, so far as I have learned, not made of any particular service or reference by the officer acting as Quartermaster General at the time, and as it contains all material information relative to the organization and operations of the quartermaster's department in the army of the Potomac, with some useful statistical facts which will much reduce the length of this report, I herewith enclose a copy, marked 1.

GETTYSBURG CAMPAIGN.

It will be observed, by reference to page 8 of the accompanying report, that I was with the headquarters of the army of the Potomac at Taneytown, Maryland, on the 30th of June, 1863.

On the 1st of July the headquarters remained at that point, while the army was being concentrated at Gettysburg. The 1st and 11th corps opened the great battle of Gettysburg on that day. The wagon trains and all impediments had been assembled at Westminster, on the pike and railroad leading to Baltimore, at a distance of about twenty-five miles in rear of the army. No baggage was allowed in front. Officers and men went forward without tents and with only a short supply of food. A portion only of the ammunition wagons and ambulances were brought up to the immediate rear of our lines. This arrangement, which is always made in the army on the eve of battle and marches in presence of the enemy, enables experienced and active officers to supply their commands without risking the loss of trains, or obstructing roads over which the columns march. Empty wagons can be sent to the rear and loaded ones or pack trains brought up during the night, or at such times and places as will not interfere with the movements of troops.

On this campaign from the Rappahannock to the James our trains, large as they were, necessarily being over 4,000 heavy wagons, never *delayed* the march of a column, and, excepting small-arm ammunition trains, were never *seen* by our troops. The main trains were conducted on roads to our rear and left, without the loss of a wagon.

On the morning of the 2d of July I arrived at Gettysburg, and was present during the battle which resulted so favorably to our arms.

Arrangements were made to issue supplies at Westminster, brought over the "Branch road" from Baltimore, and at Frederick by the Baltimore and Ohio railroad. Telegraphic communication extended from these points to Baltimore, Washington, &c., and our army communicated every third hour with them by means of relays of cavalry couriers. Ample supplies of forage, clothing, and subsistence were received and issued to fill every necessary want, without, in any instance, retarding military movements. All stores thrown forward over these routes, and not issued, were returned to the main depot at Washington, and again forwarded on the Orange and Alexandria railroad after the army had crossed to the south side of the Potomac.

After the retreat of the rebel army from Gettysburg, General Meade, on the 6th of July, ordered the concentration of the army of the Potomac at Middletown on the evening of the 7th. The trains were directed to join their respect-

ive corps; all those that were at Westminster to pass through Frederick to enable them to fill up with supplies. The headquarters were in Frederick the night of the 6th.

The army moved from Middletown, on the 9th, to the vicinity of Boonsboro'. The "order of the day" directed that "no trains but ammunition wagons, medical wagons and ambulances should accompany the troops. Supply and baggage wagons were to be parked in the Middletown valley, on the roads taken by their respective corps. No special guards were to be left with the trains. Every man able to do duty was required to be in the ranks."

It was here known to the general commanding that the enemy had not crossed to the south bank, as had been rumored, but was in force and intrenched on the north bank from Williamsport to Shepherdstown. Hence the precautions in regard to the trains and preparations for battle.

On the 10th, 11th, 12th, and 13th the army of the Potomac was engaged in taking up positions in front of the enemy and in making reconnoissances.

During this time the trains remained in Middletown valley. Our headquarters were on the Antietam, upon the road from Boonsboro' to Williamsport.

The army was kept supplied with all that was absolutely essential, and nothing more. At our headquarters, for example, we only had a few tent flies, blankets, a few small portable paper cases, and two or three days of cooked food.

On the night of the 13th the rebel army crossed into Virginia. This fact was well established in the mind of the general commanding the army of the Potomac by 12 o'clock on the 14th. He issued orders on that day, moving the army on the 15th as follows: "The 12th and 2d corps to move via Doansville, Bakersville, Mererville, Sharpsburg, the Antietam Iron Works, and encamp in Pleasant Valley, near Harper's Ferry. The 5th and 1st corps by Williamsport and Boonsboro' road, via Jones's Crossroads; thence to Keedysville by the road between the Sharpsburg pike and the Antietam to Keedysville; thence through Fox's gap to Burkettsville, by the road nearest the mountains, (the shortest road,) and thence to Berlin. The 6th and 11th corps, via Funkstown and Boonsboro', through Turner's gap, to Middletown, and thence to Petersville and Berlin. The reserve artillery to move by way of Boonsboro' pike, through Turner's gap, to Middletown, and thence to the vicinity of Berlin by Petersville, to take precedence as far as Middletown, after which to march between the 6th and 11th corps. The trains to join their respective corps at their camps in the vicinity of Harper's Ferry and Berlin. The corps to move in the order named, and the corps in advance to march at early daylight, and to be followed by the next corps when the road is clear. Headquarters to be at Berlin on the night of the 15th."

I have indicated this movement of the 15th *in detail*, in order to exhibit in this report the usual manner of moving a large army, and concentrating it at a particular point.

On the 16th orders were issued to the army to replenish its supplies from the depots which I had established at Berlin, Sandy Hook, and Harper's Ferry, and to be quickly prepared to continue the march with three days' cooked rations in haversacks, three days' hard bread and small rations in regimental wagons, and, in *addition*, two days' salt meat and seven days' hard bread and small rations in the wagons of the supply trains. The army was here supplied with clothing, fresh horses and mules. Our lines of supply were the Chesapeake and Ohio canal and Baltimore and Ohio railroad. The supplies furnished here were expected to answer until we could reach the Manassas gap road, at Gainesville and White Plains, and the Warrenton branch, at Warrenton.

The 3d and 5th corps having crossed into Piney Run valley, near Lovettsville, the rest of the army followed on the 18th and 19th. The 2d and 12th corps crossed at Harper's Ferry, and the 1st, 6th, and 11th corps, artillery reserve, and headquarters at Berlin, each command followed by its own trains. The rearguard of the cavalry crossed at both points, after the 6th and 12th corps.

It will be seen by reference to page 6 of my last report, that General McClellan made the passage of this river at the same points, with the same army, marching in the same direction, in pursuit of the same enemy, on the last of October and 1st of November the preceding year.

General Meade pursued the same routes, as far as Warrenton, as were taken by the army in November, 1862. Some of his corps deviated somewhat, and made demonstrations at Manassas gap, &c., but not materially different in results from the year before.

I left the army at Berlin, and went to Washington to make arrangements for supplies over the Orange and Alexandria railroad. Having perfected the arrangements, and submitted requisitions, I proceeded by rail to White Plains, on the Manassas Gap railroad, on the evening of the 25th. The campaign ended here, and our army shortly took up a line across the Orange and Alexandria railroad, near the Rappahannock, the right of our infantry resting at the Waterloo crossing, the left at Ellis's ford. Cavalry was on both flanks and in rear. Our line of communications was protected by the department of Washington to the Bull Run bridge, and by the 11th corps from that point to Catlett's.

The headquarters were on the railroad, at Germantown, about three and a half miles south of Warrenton Junction.

The depots were established at Warrenton Junction, Warrenton, and Bealton.

The army remained in this position quietly until near the middle of September.

ORANGE AND ALEXANDRIA RAILROAD.

During Pope's campaign it was thought by many that the Orange and Alexandria railroad could not supply a column of over 40,000 men at Warrenton, and when General McClellan reached that point in November, 1862, it was regarded as unsafe to rely on it for the supply of his army at a point so distant from his base.

The road had been for some time in an unused and bad condition, and I was very doubtful of its capacity to transport the supplies for so large an army. General Burnside, the successor of General McClellan, did not give it a fair trial. He soon moved the army to Falmouth, where it was supplied, as described in the report herewith. It became necessary now, however, to make such arrangements as would sufficiently enlarge the power of this road to carry the necessary quantity of freight. Under the orders of Colonel McCallum, the able superintendent of military railroads, and the immediate charge and direction of Colonel Devereux, the superintendent at Alexandria, the road was soon made one of the most systematically managed and efficient I have ever seen. By making the proper repairs, and frequent sidings for intermediate telegraph and freight stations, the capacity of the road was greatly increased. From Alexandria to Culpeper is sixty-two miles. In this distance there were at least fourteen stations, with telegraphic communications at each, and sidings for trains to pass each other. This railroad was capable of working sixty engineers and six hundred cars, and could have supplied an army of 300,000 men at Culpeper.

When it is mentioned that the army of the Potomac required daily, of the single item of forage, last winter, over 654 tons of hay and grain, some idea may be given of the immense work performed by this road. It was very successfully guarded by our troops.

On the retrograde movement of the army from Culpeper to Centreville, near the middle of October, and while it was massed at Centreville, the rebel army destroyed the road from Broad run to the Rappahannock. Colonel McCallum came up promptly with a large construction force and repaired it in a very short

time, constructing twenty miles of the road and rebuilding the bridges destroyed in twenty-six days. The army was at no time embarrassed for supplies. While the road was being rebuilt our depots were at Manassas and Gainesville, and the army occupied a line embracing Warrenton, Warrenton Junction, and advanced positions at Bealton, &c.

CULPEPER CAMPAIGN.

On the 15th of September the army was advanced to Culpeper and vicinity, where it remained until the 11th of October, when the movements of the rebel army induced a rapid march of the army of the Potomac to Centreville, as alluded to above. As this movement was a retrograde one, it became necessary to secure our trains by sending them to the rear in advance of the columns. Therefore all the trains, except the ammunition and ambulances, fell back on the evening and night of the 10th beyond the Rappahannock, and parked on the two roads adjoining the railroad. The army was put in motion on the 11th, the ammunition wagons and ambulances preceding their respective commands. It was found that the enemy was marching on a line to our left nearly parallel with our own, and that the two armies were liable to come in conflict at any moment. Each appeared to be struggling to reach Centreville before the other. Under these circumstances our trains were obliged to pass on roads to our right, and to make night marches to keep well in advance. On the 13th headquarters were at Catlett's. All the trains were concentrated in one grand park at Weaversville, and ordered to make a continuous march night and day, by way of Brentsville, to Maple valley; thence north, by Wolf Run shoals, to Fairfax Station. They were much exposed in making this wide circuit, and were attacked on two or three occasions by guerillas, but succeeded most splendidly in reaching Fairfax as soon as we concentrated at Centreville.

Fairfax Station was now our depot, and our wagons were in the right place. This march was conducted under the immediate supervision of Lieutenant Colonel C. W. Folks, chief quartermaster 6th corps.

The rebel army retreated, not daring to attack our position, and tearing up and destroying the road from Broad run to the Rappahannock, retired behind the latter stream.

The army moved forward again on the 19th of October, and on the 22d occupied positions as follows:

1st corps, at Georgetown; 2d corps, where the Warrenton Branch railroad crosses Turkey run; 3d corps, at Catlett's Station; 5th corps, at New Baltimore; 6th corps, at Warrenton; cavalry corps, on flanks; artillery reserve, near New Baltimore; Headquarters, near Warrenton.

On the 7th of November the army was put in motion again, and on the evening of that day captured the enemy's works on the Rappahannock, forced the passage of that river, pursued the enemy to the Rapidan, and on the 9th took up positions in the vicinity of Culpeper similar to those formerly occupied. Headquarters went into camp near Brandy Station, which was our principal depot on the railroad.

The "Mine Run campaign" came next, and was opened on the 23d of November. The baggage of officers and men was reduced to the minimum marching allowance. All unserviceable and extra property, trunks, &c., were sent to the rear.

The troops were ordered to take eight days' rations on their persons. The supply trains were loaded with ten days' rations of subsistence and forage, and the depots were broken up.

The army crossed the Rapidan in three columns; the right by Jacobs's ford, the centre by Germania, and the left by the Culpeper ford.

Only one-half of the ammunition wagons and ambulances accompanied the troops. All the other trains were assembled at Richardsville, and, as usual, placed

under my immediate control. None of the wagons were permitted to cross the Rapidan except by special orders from the general commanding.

While the army remained at Mine run it was supplied as it had been at Chancellorsville, Gettysburg, &c., by bringing up wagons and pack-mules in the night or when the roads were not occupied by troops on the march.

The campaign was not successful. The army fell back on the 1st of December, and the troops went into their old camps on the 2d.

The army was essentially quiet and at rest until the commencement of the "grand campaign" on the 4th of May, 1864. During this interval the army was made comfortable in pleasant and healthy cantonments. Supplies of all kinds were issued in ample quantities. The troops were recruited, reorganized and thoroughly disciplined. The means of transportation were also reorganized and reduced to correspond very nearly with the present allowance. (See copy of Lieutenant General Grant's order, herewith, marked A.) The cavalry and artillery arms were well supplied with horses. Probably no army on the earth ever before was in better condition in every respect than was the army of the Potomac on the 4th of May, 1864.

I have already given many detailed statements showing in what manner the trains of this great army have been conducted, under almost every variety of circumstances. You have seen us on the advance, in close pursuit of the enemy, in battle, in retreat, and on flank movements. I have shown what great duties the officers of your department are called upon to perform, and how impossible it is for any army to succeed with a badly organized and inefficient quartermaster's department. I have shown how admirably the quartermasters of these armies have uniformly performed their duties, and to what high degree of accomplishment they have attained. I have reported to you in minute detail the preparations and equipment for an active campaign—Chancellorsville for instance—what the troops and trains were made to carry. I have described our lines of supply, the establishment of depots, and the manner of supplying a large army.

Copies of my principal orders and reports are on file in your office. Therefore, I shall only give a general and brief view of the operations of our department for the remainder of the fiscal year.

"The grand campaign" from the Rapidan to the James opened on the 4th of May, 1864, under the immediate presence and supervision of Lieutenant General Grant, commanding armies of the United States. Major General Meade commanded the army of the Potomac. This campaign, for convenience of reference, is divided (by the direction of General Meade) into five epochs as follows:

1*st epoch.* The crossing of the Rapidan and the battles of the Wilderness.

2*d epoch.* The march to Spottsylvania, and the operations in front of that place.

3*d epoch.* The march to the North Anna, and the operations on that river.

4*th epoch.* The march across the Pamunkey, including the operations on the Tolopotomy and at Cold Harbor.

5*th epoch.* The march across the Chickahominy and the James, including the assault on Petersburg, July 30.

The forces that composed the armies on the Rapidan were as follows: the 2d, 5th and 6th corps, the cavalry, and the artillery reserve and engineer brigade constituted the army of the Potomac, under General Meade, and the 9th corps, under General Burnside, making about *one hundred and twenty-five thousand effective men.*

There were *four thousand three hundred wagons, eight hundred and thirty-five ambulances,* 29,945 artillery, cavalry, ambulance and team horses, 4,046 private horses, 22,528 mules, making an aggregate of 56,499 animals.

It was ordered that the troops should take with them "fifty rounds of am-

munition upon the person, three days' full rations in their haversacks, three days' bread and small rations in their knapsacks, and three days' beef on the hoof." The supply trains were loaded with ten days' forage (grain) and ten of subsistence. One-half of the ammunition, intrenching tools, and ambulance wagons, a few light spring-wagons and pack animals only were allowed to accompany the troops. All other trains were assembled at Richardsville, and placed, as heretofore, under my direction, with a view to crossing the Rapidan by bridges at "Ely's ford" and "Culpeper Mine ford."

The army was put in motion on the 4th. On that day the depots at Brandy Station and other points on the railroad, as far as the Rappahannock, were broken up, and all extra and surplus property, with the depot officers and employés, were sent in to Alexandria. These officers were directed to await orders, and are the same that subsequently took positions and opened our flying depots at Aquia, Belle Plain, Fredericksburg, Port Royal, White House, and City Point, as the army fought its bloody way along and approached within striking distance of these points. So soon as the army made the passage of the Rapidan into the "Wilderness" the trains were immediately crossed at the fords before mentioned and parked near that river. The crossing was hastened in consequence of the movements of the enemy's cavalry on the north side.

The battles of the Wilderness at once threw many thousand wounded upon our department for transportation to the rear. The medical department had no more ambulances than were absolutely necessary on the immediate fields of battle. My first effort was to send the wounded in our empty wagons to Rappahannock Station, to meet cars for which I had telegraphed you; but, after the trains were actually loaded with wounded, and after you had despatched cars, it became necessary to send them into Fredericksburg, on account of the presence of rebel cavalry at Ely's ford.

Communications were quickly opened with Aquia and Belle Plain, and in a few days the navy cleared the river of obstructions to Fredericksburg. Our wounded were at first sent to Belle Plain, and thence by water to the different hospitals. The most severe cases were kept in Fredericksburg some time. In a few days the Aquia railroad was repaired to the north bank at Fredericksburg, and was used to take away many wounded. Vessels ascended the Rappahannock also for the same purpose. The same system of transportation for wounded was pursued throughout the campaign as in the Wilderness. Our empty wagons, as a *rule*, carried most of the wounded from the field hospitals to the depots, and returned laden with forage and subsistence.

During the first epoch—from May 4 to the 13th, inclusive—our trains occupied the plank road from Chancellorsville, via Aldrich's, to Tabernacle church, and to the south at Piney Branch church and Alsop's, changing parks according to movements of our troops or the enemy.

On the evening and night of the 13th the army made its first flank movement to Spottsylvania, and the trains were concentrated on the 14th on the bluffs at Fredericksburg.

During the second epoch—from the 14th to the 20th, inclusive—the trains were parked at Fredericksburg, and our depots remained unchanged. Several trains of wounded were sent in under the direction of myself and the medical director.

The third epoch embraces the interval of time between the 21st and 26th, inclusive. The line of Fredericksburg, Belle Plain, and Aquia was now abandoned, and the depot established at Port Royal.

On the 20th the main trains were assembled near Guinea Station, under the immediate charge of Captain L. H. Pierce, assistant chief quartermaster, army of the Potomac, and were conducted by him, under my daily orders, by Bowling Green to Milford Station, where they arrived on the 22d. On the 23d they were crossed over the Mattapony, and parked in the open ground be-

tween the river and Wright's tavern. On the same day our forces reached the North Anna, and commenced to cross at Jericho and other places. The trains remained in park, near Wright's tavern, during the operations on the North Anna. Our wounded were sent to Port Royal, and supplies received from that depot. On the 24th the army was across the North Anna, and there was heavy skirmishing with the enemy, who was in position between the two Annas, at Hanover Junction.

The 9th corps was attached to the army of the Potomac on this day. Headquarters crossed at Jericho ford, and encamped on the southside.

The 4th epoch began on the 27th. The army was put in motion towards Hanover town, and Nelson's and Huntley's ferries, on the Pamunkey river. The trains recrossed the Mattapony, and passed to the rear some distance, and then advanced on the road toward Dunkirk, lower down, and to our left on the Mattapony. The army crossed the Pamunkey on the 28th, and took up position towards Cold Harbor. On the same day I sent a staff officer to White House, distant fifteen miles from Hanover town, to ascertain if Smith had arrived with the 18th corps, and if Captain Pitkin had arrived from Port Royal with his employés and supplies. The officer returned safely at midnight and reported no arrivals. The trains arrived promptly at Hanover town, by way of Dunkirk, crossed the Pamunkey on the 31st, and parked near Mrs. Newton's house.

Captain Pitkin arrived at White House same day, and established the depot. On June 1, the trains were moved to New Castle and Old Church. All empty wagons were sent to White House for supplies.

On the 2d, our troops took up positions in front of the enemy at Cold Harbor. Headquarters were moved to that point, and the trains sent to vicinity of Paysley's mill, on the road to White House.

On the 3d an assault was made on the enemy's intrenchments, but without success.

The railroad from White House to Despatch Station was rebuilt while the army remained here, and was dismantled and the material removed before the 12th, when the fifth epoch commenced.

On the 12th the army began another flank movement, to cross the Chickahominy at Long's and Jones's bridges, over pontoons laid by our engineers, and the James at Fort Powhatan, over another pontoon bridge, and to advance rapidly on Petersburg. The trains were conducted by Tunstall's Station on roads to White House and New Kent, thence by Slatersville, Barhamsville and Diascund, to Cole's ferry, where they crossed the Chickahominy over a pontoon bridge constructed by the engineers, of more than two thousand feet in length. They were then conducted to Charles City and down the neck to Douthart's, opposite Fort Powhatan, where they crossed the James over the pontoon bridge at that place, commencing at 2 p. m. on the 15th, and closing at 7 a. m. on the 17th. This movement was very complicated, difficult and arduous. It was one of the most important on record; but it was conducted with a skill and vigor by Captain Pierce that crowned it with magnificent success.

On reaching the James and coming in contact with the command of Major General Butler, I was announced on the 16th as chief quartermaster of "armies operating against Richmond," and immediately took post at City Point, which had been indicated the principal depot by Generals Grant and Meade.

After crossing the James over the pontoon bridge, and by the ferries, the troops pressed forward into positions in front of Petersburg.

The trains were placed in parks between the depot and those positions convenient to the railroad.

Improvements were commenced at once to make the depot efficient and ample. Wharves and storehouses were constructed; the railroad to Petersburg was put in working order up to our lines; and supplies were brought to the

depot in the required quantities, and issued. A uniform system of supply was put in force in both armies.

Such was the posture of affairs on the 30th of June, 1864.

My money accountability for the fiscal year is correctly stated below:

On hand July 1, 1863	$266,137 00
Received from officers during the year	12,603 49
Received from Treasury Department during the year	1,100,000 00
Received from other sources during the year	146 44
	1,378,886 93
Expended during the year	2,144 09
Transferred to other officers during the year	1,376,742 84
Remaining on hand, June 30, 1864	00 00
	1,378,886 93

According to the report of Mr. E. S. Wentz, chief engineer and superintendent of railroads, 57 miles of railroads have been constructed and repaired, as follows: Twenty miles of the Orange and Alexandria railroad relaid with new track; fifteen miles of the Richmond, Fredericksburg and Potomac railroad repaired; four miles of the Richmond and York River railroad relaid with new track, and thirteen miles repaired. Thirteen miles of the Richmond and York River railroad was afterwards taken up and the iron removed to Alexandria. Five miles of the City Point and Petersburg road was relaid with new track—all making a total as follows:

Of new track laid	29 miles.
" " " repaired	28 "
" " " taken up	13 "

On one railroad large construction parties have been constantly employed making repairs.

It is reported that about 345 miles of telegraph lines have been constructed, though it is difficult to obtain an accurate statement. As a rule, our headquarters have been in telegraphic communication with headquarters of each corps, with our depots and Washington. Constantly changing positions has rendered it necessary to construct an unusual extent of telegraph lines.

I have during the year frequently reported my views as to the best and proper means of transportation for an army. I do not think that the kind and amount now furnished and allowed these armies can be improved upon. The common six-mule wagon has proved to be the most economical and durable for years past of any ever tested. Pack trains should be provided as prescribed in the order herewith, marked A. A special wagon or caisson should be furnished to carry all ammunition, small-arm as well as artillery. I forwarded a sketch of the carriage, with an explanatory letter of General Hunt, with my report of last year. The mules should be hitched to this wagon as they are to the common army wagon, with *one* driver, and not as in the artillery service.

Our troops are undoubtedly loaded down on marches too heavily even for the road, not to speak of battle. I have witnessed great loss of knapsacks and articles of clothing on the routes taken by our troops at the commencement of campaigns. In my report of the Chancellorsville campaign I showed you that the loss of knapsacks of those actually engaged was at least twenty-five per cent. I am in favor of putting the lightest possible weight on the soldier, consistent with his wants and the character of the service. I do not think the knapsack should be dispensed with altogether, for it should, ordinarily, form a part of the equipment, but on short campaigns, and on the eve of battle, and

when near the supply trains, a blanket rolled up and swung over the shoulder, and looped up under the arm, is sufficient without knapsack or overcoat. The soldier can carry three days' cooked food in his harvesack. If necessary he can carry two or three days' bread and some under-clothes in his blanket. Our men are generally overloaded, fed and clad, which detracts from their marching capacity, and induces straggling. I do not propose any modification, however, as our commanders understand these matters better than I do, probably; at any rate they know what they want, and have the power to make such changes as they may deem proper.

The reports referred to in paragraphs 2, 3, 5, and 7 of your orders will be furnished you in detail by the officers who have served under me.

I desire to remind you of my profound obligations for the very prompt, cheerful and powerful support you have uniformly extended to me.

My warmest thanks are also due to General Rucker and his depot officers, who have always responded to my requisitions.

To the soldierly and accomplished quartermasters serving with the armies I owe the deepest gratitude. They have performed their laborious and responsible duties, without exception, with unexampled zeal, energy, and intelligence. You have been good enough to cause many of them to be promoted.

In the closing paragraph of my last report I called your attention to the merits of Captains Ferguson and Stoddard, then on duty at Alexandria. I am pained to know now that both of us were deceived, and that our confidence was misplaced.

There has been no instance of embezzlement or misappropriation of public moneys or property on the part of any quartermasters serving with these armies during the past fiscal year, so far as I have the means of being informed.

I am, very respectfully, your most obedient servant,

RUFUS INGALLS,
Brigadier General and Chief Quartermaster of Armies operating against Richmond.

Brevet Major General M. C. MEIGS,
Quartermaster General United States Army.

A.

Special orders by Lieutenant General Grant prescribing allowance of transportation and camp and garrison equipage.

[Orders No. 8.]

OFFICE OF CHIEF QUARTERMASTER,
ARMIES OPERATING AGAINST RICHMOND,
City Point, Va., June 29, 1864.

The following "Special Orders," issued by the lieutenant general commanding armies of the United States, are printed for distribution to officers of the quartermaster's department on duty with the "armies operating against Richmond:"

[Special Orders No. 44.]

HEADQUARTERS ARMIES OF THE UNITED STATES,
City Point, Virginia, June 28, 1864.

I. The following orders, prescribing the means of transportation, camp and garrison equipage, for the armies in the field operating against Richmond, are published:

1. For the headquarters of the lieutenant general commanding the armies of the United States in the field, and major generals commanding separate armies, such wagons, light spring-carriages, saddle-horses, and camp equipage as may be deemed necessary from time to time, to be assigned by the chief quartermaster at general headquarters.

2. For the headquarters of an army corps, 2 wagons or 8 pack-mules for baggage, &c., 1 two-horse wagon, 1 two-horse spring-wagon, and 10 extra saddle-horses for contingent wants; two wall tents for the personal use and office of the commanding general; one wall tent for every two officers of his staff.

3. For the headquarters of a division, 1 wagon or 5 pack-mules for baggage, &c., 1 two-horse spring-wagon, 1 two-horse wagon, and 5 extra saddle-horses for contingent wants; one wall tent for the personal use and office of the commanding general; one wall tent for every two officers of his staff.

4. For the headquarters of a brigade, 1 wagon or 5 pack-mules for baggage, 1 two-horse spring-wagon, and 2 extra saddle-horses for contingent wants; one wall tent for the personal use and office of the commanding general; one wall tent for every two officers of his staff.

5. The allowance of wagons and pack-mules to officers detached: to every three company officers, when detached or serving without wagons, 1 pack-mule; to every twelve company officers, when detached, 1 wagon or 4 pack-mules; to every two staff officers, when not attached to any headquarters, 1 pack-mule; to every ten staff officers, when serving similarly, 1 wagon or 4 pack-mules.

6. These wagons and pack-mules will include transportation for all personal baggage, mess chests, cooking utensils, desks, papers, &c. The weight of officers' baggage, specified by army regulations, will be reduced so as to bring it within the foregoing schedule.

All excess of transportation, camp and garrison equipage, now with the army corps, divisions, brigades, regiments, or batteries, over the allowance herein prescribed, will be immediately turned into the quartermaster's department, at the general depot, now at City Point.

7. Commissary stores and forage will be transported in the supply trains. When they are not convenient of access, and when troops act in detachments, the quartermaster's department will assign wagons or pack-mules for that purpose, but the baggage of officers or troops, or camp equipage, will not be carried in the wagons or on the animals so assigned.

8. For each regiment of infantry, cavalry, or battalion of heavy artillery: for baggage, camp equipage, &c., 2 wagons; 3 wall tents for field and staff; 1 shelter tent for every other commissioned officer; 1 shelter tent for every two non-commissioned officers, soldiers, servants, and camp followers.

9. For each battery: for personal baggage, mess chest, cooking utensils, desks, papers, &c., 1 wagon; 2 wall tents for officers; shelter tents, same allowance as for infantry and cavalry regiments.

10. For the artillery and small-arm ammunition train: the number of 12-pounder guns multiplied by 122 and divided by 112; the number of rifled guns multiplied by 50 and divided by 140; the number of 20-pounder guns by 2, and the number of 4½-inch guns multiplied by 2½, will give the number of wagons allowed.

The number of guns in horse batteries, multiplied by 100 and divided by 140, will give the wagons allowed.

For the reserve artillery, ammunition of 20 rounds to each gun in the armies, the number of wagons allowed will be obtained as follows: multiply the number of 12-pounders by 20 and divide by 112, and the number of rifled guns by 20 and divide by 140.

For every 1,000 men present, armed and equipped for duty, of cavalry, infantry, and heavy artillery, for small-arm ammunition, 3 wagons.

For carrying fuzes, powder, and primers, with the reserve artillery ammunition train, 2 wagons.

11. For general supply train: to each 1,000 men, cavalry, infantry, and heavy artillery, for forage, subsistence, &c., 7 wagons, sufficient to carry eight days' supply; to each cavalry division, exclusively for forage, 50 wagons; to each battery, for its proportion of subsistence, forage, &c., 4 wagons; to each horse battery, for the same purpose, 4 wagons; to every 25 wagons of the artillery ammunition train, 5 wagons additional for the forage of the animals of the ammunition and additional wagons, baggage, camp equipage, and subsistence of wagon-masters and teamsters. Ammunition trains will be loaded exclusively with ammunition, so far as practicable. The baggage of the drivers will be carried in the additional wagons allowed for that purpose.

To each brigade of cavalry, infantry, and artillery, of not less than 1,500 men, for hospital supplies, 3 wagons; for every 1,000 men additional, 1 wagon.

To each army corps, except the cavalry, for intrenching tools, 8 wagons.

To each army corps headquarters, for subsistence, forage, and other stores not provided for herein, 3 wagons.

To each division headquarters, for similar purposes, 2 wagons.

To each brigade headquarters, for similar purposes, 1 wagon.

To each brigade of cavalry, infantry, and artillery, for commissary stores for sale to officers, 1 wagon.

For the ambulance train of each division, 2 wagons; for the ambulance train of an independent command less than a division, batteries excepted, 1 wagon.

To each division of cavalry and infantry, for armorers' tools, parts of muskets, extra arms, and accoutrements, 1 wagon.

It is expected that each ambulance and wagon, except those of the artillery ammunition train, will carry the necessary forage for its own teams.

12. The unit of organization for the supply trains of subsistence, ordnance, and forage will be by division. Division quartermasters will be responsible for them. Brigade quartermasters will be responsible for the brigade baggage trains. Regimental quartermasters will be responsible for the regimental public property and baggage.

Quartermasters will attend in person to the drawing of necessary supplies at depots, and will habitually accompany their trains on marches.

13. If corps, division, or brigade commanders take their guards or escorts from commands already furnished with the full allowance of transportation, a corresponding amount shall be taken by them to headquarters; but if they have not been provided for at all, then a proper number of wagons will be transferred by the depot quartermaster, on the requisition of the chief quartermaster, certified to and approved by the commanding general.

14. As a *rule*, quartermaster and commissary sergeants will not be allowed to ride public horses, nor will citizen or soldier clerks, except on the written order of a corps or other independent commander setting forth the necessity.

15. It has been shown by experience that the advantage of keeping up regularly organized pack-trains is not commensurate with the expense.

Two hundred pack-saddles will be carried in the wagon trains of each corps. Whenever it becomes necessary to pack officers' baggage, provisions, or ammunition for short distances, over rough roads and broken country, pack-trains will be made up temporarily by taking mules from the wagons, not to exceed two to any one wagon.

16. In the armies operating against Richmond, the maximum allowance of forage per day will be, for horses *ten* pounds hay and *fourteen* pounds grain; for mules *ten* pounds hay and *eleven* pounds grain; and when short forage only can be provided, the allowance will be, for horses *fifteen* pounds, for mules *thirteen*. On a march, however, the forage ration will be only *ten* pounds grain.

17. A report of all property captured from the enemy, or seized for the public service, will be made monthly to the chief of the department at these headquarters, to which it appertains.

By command of Lieutenant General Grant:

T. S. BOWERS,
Assistant Adjutant General.

Chief quartermasters of corps and other independent commands will at once take measures to have these orders complied with, so far as in the power of the quartermaster's department.

RUFUS INGALLS,
Brig. Gen. and Chief Q. M., armies operating against Richmond.

Annual report of Brigadier General Rufus Ingalls, chief quartermaster of the army of the Potomac, for the fiscal year ending June 30, 1863.

HEADQUARTERS ARMY OF THE POTOMAC,
OFFICE OF CHIEF QUARTERMASTER
Camp near Culpeper, Va., September 28, 1863.

GENERAL: In compliance with your General Order No. 13, of last July, the 22d, I have the honor to submit the following report on the operations of the quartermaster's department of the army of the Potomac during the fiscal year ending on the 30th June, 1863:

On the first day of the fiscal year I established the great depot on James river, at Harrison's landing, at and around which point General McClellan concentrated his army after the eventful seven days' battles about Richmond. On the 28th of June preceding I had broken up the depot at White House, on the Pamunkey, in execution of orders received from the general commanding and General Van Vliet, then chief quartermaster of the army, and had successfully removed all the transports containing the public supplies—more than five hundred vessels of all descriptions—from the York to James river. I arrived at Haxall's, above City Point, on the left bank of the James, near noon of the 30th of June, and reported in person to General McClellan when he came to the river some two or three hours later in the day, and while the first great fight at Malvern Hill was raging.

The army was destitute of supplies; my arrival was exceedingly fortunate and opportune. Temporary barge wharves were at once constructed at Harrison's landing; the transports were brought alongside, and the subsistence, ordnance, hospital, and quartermaster's departments were prepared for the issue of necessary supplies on the arrival of the troops. We found in the vicinity a few old wharves which contributed greatly to the accommodation of the commissary, ordnance, and hospital departments, but generally we had to rely upon our own resources in the construction of landings or wharves at our various depots.

At the commencement of the movement to the Peninsula I was placed in charge of the assembling of transports, fitting them for the voyages, and embarking the troops. I took post at Alexandria, by order of the War Department, so soon as the blockade of the Potomac was raised, and remained there from the 18th of March until the 3d of April, 1862, up to which time I had personally superintended the embarcation of more than 70,000 men of the army of the Potomac.

It was my duty while on the Peninsula to establish the depots of supply for the army, and to see that all proper stores were provided and issued. This

duty was excessively laborious and responsible, especially at Cheeseman's creek, Yorktown, and White House, during the night as well as day. There were few officers of experience in the quartermaster's department at that time with the army, either in the regular or volunteer service. The magnitude of our operations far exceeded what *any* quartermaster had ever before witnessed, or indeed read of. The sites of the depots at Cheeseman's creek and White House were selected by me, and the landings constructed under my immediate superintendence, and sometimes with the assistance of my own hands. I was up to that date almost *alone*, so far as good officers were concerned. Proper measures had been taken by General Van Vleit to have an abundance of forage, clothing, &c., afloat, and in readiness to be issued at the depots. The subsistence department, also, from the first to the present time, has always been well prepared with stores and employés.

In the mean time officers were acquiring the requisite experience, and by the 1st of July the army possessed very many well-trained and efficient quartermasters, so that, at Harrison's landing, for instance, I was relieved of an onerous load of duty by officers whom I had selected on account of their great merit. I made the following assignment at this depot, holding the general superintendence myself, viz:

Captain C. G. Sawtelle, (now lieutenant colonel and chief quartermaster Cavalry bureau,) in special charge of water transportation and other branches; Captain L. H. Pierce, in charge of land transportation; Captain C. B. Wagner and A. Bliss, in charge of clothing; Captain P. P. Pitkin, in charge of employés; and Captain J. B. Winslow, in charge of forage. In twenty-four hours after the establishment of this depot every duty was performed with great punctuality and accuracy. All issues were made on prescribed requisition, and necessary supplies called for.

A record of all arrivals and departures of vessels was kept by the harbormaster. Regular mail and freight boats were put on the route to Fortress Monroe, and vessels were constantly plying between the depot and the principal seaport cities.

I will here remark that I must refer you to the detailed reports of my subordinate officers, who have been in charge of special branches of our department, for information called for under the 2d, 6th, 7th, 8th, 9th, and 10th paragraphs of your order. These reports will serve to remind you of a portion of the stupendous operations of our department during the past fiscal year conducted under your orders.

On the 10th of July, by the voluntary retirement of General Van Vliet, I was announced the chief quartermaster of the army of the Potomac, a position which I have had the honor to hold to the present time, and which has confined me generally to headquarters. My duties since that period have been supervisory and administrative. I have continued to provide for the wants of the army on all its campaigns, and have established the depots and lines of supply in all instances, but have placed suitable officers at the different points to execute the instructions given by me to meet the wishes of the general commanding. You will receive the reports of these officers.

It is due to my predecessor to record my regret at his leaving an army to which he was devotedly attached, and for which he had labored so assiduously and with such great talent.

It must be borne in mind that *war* on a scale inaugurated by this rebellion was decidedly *new* to us, if not to the civilized world.

Easy as it may seem now, after the lapse of two years, to organize the transportation of a great army, and provide its supplies with the *known* means we now have, there were *few* men at *that* day in the republic who could have accomplished the task sooner than it was. It required the united abilities and

exertions of our whole department aided by the loyal producers and manufacturers of the country to meet the public wants; and if there were temporary failures, the department should stand excused, for its labors have been unparalleled and gigantic. Perhaps the failures in our department have been fewer than in *fighting* the troops.

I had no data left me to show what means of transportation and other quartermasters' property were still with the army after its severe battles and change of base. Inspections were immediately made throughout. It was found that there were in the service, about the last of July, 3,100 wagons, 17,000 horses, 8,000 mules, and 350 ambulances. I have no means of knowing the original number. The supply of clothing, camp and garrison equipage, &c., was good. In the river at the depot were bountiful supplies of forage, subsistence, and hospital stores.

The general commanding received orders early in August to evacuate the Peninsula. About the middle of the month one corps was thrown across the Chickahominy near its mouth, over a pontoon bridge of 2,000 feet in length; another command was pushed out towards New Kent Court House over Bottom's bridge; both with a view of protecting our trains, which were now sent forward rapidly in advance of the remainder of the army, by the pontoon bridge. They all passed in safety and proceeded to the point of embarcation at Yorktown, Newport News, and Fortress Monroe. The transports were withdrawn under the direction of Colonel Sawtelle, who was my principal assistant at White House, and whose sagacity, zeal, promptness, and experience qualify him for any position in your department. The headquarters left Harrison's landing on the morning of the 16th of August, and the depot was broken up and abandoned without loss on the evening preceding. The march was a rapid and orderly one. I arrived at Fortress Monroe on the 18th by water from Yorktown. Fitz John Porter's corps, which was the first to cross the Chickahominy on the retreat, had already embarked for Aquia creek to join Burnside and Pope. It was arranged that Heintzelman's corps should embark at Yorktown; that Keyes's should remain there; that Franklin should embark at Newport News, and Sumner at Fortress Monroe.

Leaving Colonel Sawtelle at the latter point to provide transports, and push forward the troops, cavalry, horses, and artillery, I returned to Yorktown to hasten the embarcation of the third corps.

I finally left Fortress Monroe with General McClellan and staff on the 23d of August, and arrived off Aquia early on the 24th instant, where we remained on the transport sixty hours awaiting orders. I left Aquia on the 26th instant, and arrived at Alexandria on the 27th, where headquarters went into camp near the city.

After the evacuation of Harrison's landing, the troops were pushed forward as rapidly as our means would permit. The officers and men seemed anxious and impatient to reach the scene of conflict in front of Washington, where it was known great battles must be fought, on which mighty national interests were staked.

I *know* the officers of our department used untiring exertions to expedite the embarcation; but it is now apparent that either we did not leave Harrison's landing *soon enough*, or that General Pope did not *fall back* without risking a general engagement, as perhaps he might have done, at least earlier in the campaign, until more forces should arrive. I allude to the matter only in justice to our own department, which has sometimes been accused of tardiness and having inadequate means of transportation on that occasion. Our means were ample and as great as the country could afford. Transports were assembled, as far as possible, from all available sources. It was not to be expected that there should be transports enough to move 100,000 men, with the artillery, cavalry, and trains, *at once*. It was necessary to perform this service by *successive* voy-

ages of the vessels. It had required more than a month to transport the army from Alexandria to the Peninsula. It could not be brought back in a day. It did absorb three weeks' time to bring all back. Many of the wagon trains and a portion of the cavalry did not arrive until the army had left Washington on the Maryland campaign. Indeed, some did not join until after the battles of South mountain and Antietam.

It is fresh in your memory how Pope's campaign resulted. Disorganized trains and wearied and dispirited troops were crowded in on Washington and Alexandria during the latter days of August.

General McClellan was invested on the 4th of September with the command of the "defences of Washington." At the same time I ordered all quartermasters to draw supplies, to place their commands in marching condition, and to reorganize their trains at once.

These orders were obeyed very promptly. There was probably some 2,500 wagons conducted in by Colonel Fred. Myers to Alexandria, which he saved from the recent retreat of General Pope. These, added to what had arrived from the Peninsula and what General Rucker could spare from the Washington depot, made up the trains for the Maryland campaign.

It was soon ascertained that portions of the rebel army had crossed the Potomac, and had entered Maryland above Harper's Ferry. On the 5th and 6th of September our army was put in march towards Frederick city, by Rockville and Urbana.

I left Washington on the 7th instant, and joined headquarters same day at Rockville. We remained there two or three days, while our cavalry and advanced infantry and artillery commands were gaining information of the enemy, and feeling of his position. Meantime General McClellan became possessed of the plans of the rebel general, and the army was pushed on through Frederick to the gorges of South mountain, where the rebels made their first stand of any importance.

The battle of South mountain was fought on the 13th and 14th of September. That victory opened the Cumberland valley. The army followed rapidly, and came up with the entire rebel army in position on the heights of Sharpsburg on the 15th instant.

The battle of Antietam was fought on the 17th, and resulted in favor of our arms, freeing Maryland completely of the enemy, and compelling him to retreat into Virginia.

The army was supplied by our wagon trains exclusively, until we recaptured Frederick. The enemy had burned the railroad bridge over the Monocacy, but a depot was established on the left bank while the bridge was being rebuilt, and supplies of subsistence and forage were brought up over the Baltimore and Ohio railroad; Captain J. C. Crane, assistant quartermaster, was placed in charge. The commands within reach sent wagons to this depot for what they required. Wagon trains were also kept plying between Washington and the army until after it had passed South mountain. A depot was next established at Hagerstown, under Captain George Weeks, assistant quartermaster, and supplies of clothing, subsistence, and forage were brought over the Cumberland valley railroad.

These supplies came mainly from Washington, but forage and clothing were frequently brought direct from New York city, Philadelphia, and Baltimore. After the battle of Antietam, the army was assembled about Harper's Ferry. The canal was now available; with all these sources of transportation we had no embarrassment, save in the extreme slowness, in some instances, with which stores turned over to the railroad for transportation were delivered at their destinations. From this cause we were unfortunately very late in receiving clothing, and much of it arrived at Berlin too late for issue, as the army was already on its march to White Plains, Warrenton, &c.

Generally, however, the railroads did splendid service. I always found the principal officers and agents of the roads extremely obliging, courteous, and energetic.

Our wagon trains had been much increased. About the 1st of November they numbered 3,911 wagons, 8,693 horses, 12,483 mules, 907 ambulances, 7,139 artillery horses, and 9,582 cavalry. We had sufficient to haul seven days' supplies for the army, besides its baggage, camp equipage, &c. The army crossed the Potomac over pontoon bridges at Berlin the last of October. I crossed on the 1st of November, and reached Salem, on the Manassas Gap railroad, on the 3d following. Supplies had already been ordered by this road direct from Washington and Alexandria.

On the 9th of November General Burnside assumed command of the army, and soon after he moved it to Falmouth, in front of Fredericksburg. On the 13th I left the army at Warrenton with orders to proceed to Washington and Alexandria, thence to Aquia Creek, and to take measures for the support of the army by the Aquia and Fredericksburg railroad. On the 16th, in company with Generals Woodbury and Haupt, I went to Aquia and Belle Plain on a reconnoissance. We found the old wharf and entire depot at Aquia a mass of ruins, and the interior of the country still in the hands of the enemy. It was decided to create temporary landings at both Aquia and Belle Plain, to land supplies and haul them to the army on its arrival with wagons, while permanent arrangements on a proper scale could be made.

This plan was most successfully executed. I returned to Belle Plain about the 19th and joined headquarters at Falmouth. The depot at Aquia was made as spacious and commodious as any one we have ever had. Large wharves were constructed and storehouses erected to accommodate all departments. I placed Captain T. E. Hall, assistant quartermaster, in charge, with several other officers to assist him. Captain Hall was finally succeeded by Lieutenant Colonels A. Thompson and Painter, assistant quartermasters. Frequent inspections were made by myself and Colonels Sawtelle, Myers, and Painter. General Haupt placed Mr. W. W. Wright at the place as railroad agent. He was an exceeding energetic, gentlemanly, and business-like officer. Stations were established at convenient points along the road for the delivery of supplies—the principal one having been at Falmouth, under Captain L. H. Pierce, assistant quartermaster, now assistant chief quartermaster of this army. His report will show you the immensity of his business during the past year. I regard him as one of the best quartermasters in the service.

The land transportation of the army was reorganized while at Falmouth, and to-day corresponds precisely with the standard prescribed in Orders No. 83—a copy is herewith, marked A.

The rule will be found useful if applied to our other armies. There would be, besides, the advantage of *uniformity*. Our supply trains are calculated for 7 days' subsistence, 3 of salt meat, 6 of short forage, and 100 rounds of small-arm ammunition to be hauled in wagons. By our system, knowing the *number* of *men*, we can at once determine the exact *number* of wagons. The battle of Fredericksburg was fought on the 13th of December, 1862. General Hooker assumed command of the army January 26, 1863.

To show what was our custom on the eve of battles with regard to our trains, I take the liberty to enclose a copy of my report of our arrangements during the Chancellorsville campaign, herewith, marked B. This report and its accompanying papers, now in your office, will give you full and valuable information.

The battle of Chancellorsville and second battle of Fredericksburg were fought from the 2d to the 4th of May, 1863. In a *forward* movement our trains are never in the way of the troops; on the contrary, each corps has its train which follows it on the march, and which forms its indispensable, movable magazine of supplies. Wagon trains should *never* be permitted to approach

within the range of *battle-fields*. They should be parked in safe and convenient places out of risk, and well guarded. Troops should go forward to battle lightly loaded, and without wagons except for extra ammunition. If they are successful, the trains can be brought up very quickly. If defeated, they will find an unobstructed road, and will get back to their wagons *soon* enough.

In all our engagements this precaution has been observed. At the battles of Fredericksburg and Chancellorsville wagons were not permitted to cross the river except on special order and for some pressing necessity.

At the great battle of Gettysburg I had the trains of the whole army parked at Westminster, on the Baltimore Branch railroad and pike, at a distance of twenty-five miles from the field, guarded by cavalry and artillery. It would appear that the army of the Cumberland could not have observed this essential rule, since reports show a great loss of trains during the recent conflicts between Chickamauga and Chattanooga.

The experiences of this army by land and water during the past two years ve it *some* right to speak with weight on the subject of transportation. On the 14th of June we broke up our headquarters camp near Falmouth, and pursued the route by Dumfries, Fairfax, Leesburg, Edwards's ferry, and Poolesville, to Frederick city, on our second Maryland campaign. The army was in excellent condition; our transportation was perfect and our sources of supply same as in first campaign. The officers of our department were thoroughly trained in their duties. It was almost as easy to manœuvre the trains as the troops. It is therefore unnecessary to go further into the details of the march.

The rebel army had again invaded Maryland, and had even advanced as far as Carlisle and York, in Pennsylvania. The army of the Potomac was again in pursuit of its inveterate foe, and finally met him in pitched battle of three days' fighting, and compelled him again to recross the Potomac.

General Meade, justly the conqueror and hero of Gettysburg, assumed command of the army on the 28th June.

On the last day of the fiscal year, two days later, I was at Taneytown with headquarters of the army.

I have been in the battles of South mountain, Antietam, Fredericksburg, and Chancellorsville, during the year ending June 30, 1863.

While on Peninsula affairs, I omitted to state that white laborers were soon found to give out from sickness and exhaustion at our depots on the Peninsula. While at White House I took effective measures to secure the services of contrabands, drawn mostly from the vicinity. They proved invaluable, though we thus became incumbered with many women and children. On the evacuation of White House I took away all my colored force, and increased it very considerably while at Harrison's landing by sending for negroes to Williamsburg, Charles City, Norfolk, &c. On the evacuation of the Peninsula I must have taken away 2,500 males. The women and children were provided for near Fortress Monroe. Many of these negroes have other situations now; but we still retain at our depots here some 1,250; they are industrious, obedient, and tractable. They are considered *free*, and obtain $20 per month for their services. This narrative covers the chief events of the fiscal year.

On the 30th of June, 1862, I had on deposit with the treasury,	$172,991 47
I received the year ending June 30, 1863	2,509,383 13
Total to be accounted for	2,682,374 60
Amount of disbursements during the year	2,416,237 60
Balance due United States June 30, 1863	266,137 00

Of this balance $265,687 51 was deposited in Washington with Treasurer United States, and $449 49 in New York city with assistant United States treasurer. Of the $2,416,237 60 disbursed during the year, $2,406,285 21 was transferred to officers of my department for disbursements in corps. The balance, $9,952 39, was expended for articles of stationery, &c., purchased, and payment of employés. To the great credit of the quartermasters of this army, I have to report only *one* instance of defalcation and want of integrity. That is the case of Captain John Howland, assistant quartermaster volunteers, who received from me in March last $16,470 04 as acting chief quartermaster of the 5th corps, for distribution to the subordinate officers to pay teamsters. He deserted and carried away with him the whole sum, but was subsequently arrested and brought to Washington by some of the acute and efficient agents of the provost marshal of the War Department. Colonel Baker recovered $10,279 of the sum embezzled, and turned the same over to me. Captain Howland has been brought before a court-martial for this offence. The sentence is not yet promulgated.

There were no outstanding debts *in this army* on the 30th of June, 1863. I do not mean unsettled claims for forage, &c., in Maryland. I left Captain John McHarg, assistant quartermaster, at Frederick with funds to pay all such legitimate accounts. He is still there on this duty.

There will be suggestions for the improvement of our means of transportation, workshops, &c., by some of my experienced subordinate officers. I request you will give the matter your attention. There should be at once, above all other things, a special wagon or caisson for carrying all extra or reserve ammunition. This matter is very important. It should be for small-arm as well as artillery ammunition.

I have the honor to include herewith a forcible letter on the subject, marked C, to which I invite your attention, from General Hunt, chief of artillery.

I should not close this report without acknowledging the uniform generosity which you have extended to me, and the great support you have invariably given me. I wish also to acknowledge my great obligations to General Rucker, and the officers who have served under him. He has had daily contact and business with, and on account of, this army, and has, in all instances, fully met our expectations with much courtesy and forbearance. For all that has been accomplished there is credit due many who have labored *together* instead of arraying obstacles. I have not *permitted* myself to have difficulties with any one who exhibited any will or capacity to serve this army.

To the quartermasters of this army I feel much attached and under a weight of indebtedness, especially to those who have had charge of the great depots. I have referred to them in the body of this report; still I would be doing much injustice if I did not mention Captain P. P. Pitkin, assistant quartermaster, who, similar to Captain Pierce, has had charge of great depots, and whose business for the year has been extremely heavy. He is a most meritorious, energetic, and trustworthy officer.

Captain William G. Rankin, 13th infantry, and acting assistant quartermaster, has also served with much credit. He was in charge of land transportation at White House, and acquitted himself with satisfaction.

Lieutenant Colonel Frederick Myers, assistant quartermaster, served with the army from Pope's retreat until after Fredericksburg. He was most of the time my chief assistant. Like Colonel Sawtelle, he is invaluable as a quartermaster and superior business man. I trust these officers will receive the advancement they merit.

The chief quartermasters of the corps are all finely educated gentlemen and

highly experienced quartermasters, and there are many quartermasters now serving with divisions and brigades who are well qualified for higher positions.

* * * * * * * *

I am, general, your most obedient servant,

RUFUS INGALLS,
Chief Quartermaster, Army of the Potomac.

General M. C. MEIGS,
Quartermaster General, Washington, D. C.

OFFICE OF CHIEF QUARTERMASTER,
ARMIES OPERATING AGAINST RICHMOND, VA.,
City Point, Va., September 1, 1864.

GENERAL: I desire to add to my annual report, just rendered, that I have always co-operated to the fullest degree with the medical directors and other medical officers of the army of the Potomac and that of General Butler's. They have very frequently conferred with me as to what assistance I could give them, and I have invariably found them prepared for any emergency, able to meet all demands upon their resources, very moderate and reasonable in their requisitions upon the quartermaster's department, and most officer-like in their communications with me. We were thrown much in contact with each other, and at times when our energies were heavily taxed, I have never known the medical department wanting in anything that human labor, skill, and perseverance could overcome.

The hospital system in the field is as complete as it would seem possible to make it.

The ambulance trains work admirably, and the sick and wounded are as promptly and carefully taken care of as those in a city or town, and probably much better.

The large field hospital at this place, is well located, and perfectly watered by steam-power, with reservoirs, pipes, &c., and is large enough for all requirements.

The medical department have many transports at their service, for the transportation of the sick and wounded. When these are not sufficient, ordinary vessels are temporarily placed on such duty.

I have the honor to ask that this may be filed with my last report.

I am, very respectfully, your most obedient servant,

RUFUS INGALLS,
Brigadier General, Chief Quartermaster,
Armies operating against Richmond.

Brevet Major General M. C. MEIGS,
Quartermaster General U. S. A., Washington, D. C.

HEADQUARTERS ARMY OF THE POTOMAC,
OFFICE OF CHIEF QUARTERMASTER,
Camp near Falmouth, Va., May 29, 1863.

GENERAL: I have the honor to acknowledge the receipt of your communication of the 12th instant, requesting a report of the operations of the quartermaster's department during the late campaign, and answers to certain inquiries.

I have required a report from each of the chief quartermasters of the different corps. They are herewith enclosed, marked from A to H. I beg you will give these reports a close perusal, because they are very full, and contain much valuable information for our department touching the movement of troops in the

field. In submitting these papers I shall deem it necessary to give my views very briefly.

A copy of a report prepared by General Pleasonton, now commanding the cavalry corps, showing its present condition, is submitted, marked I. Also a copy of the proceedings of the board detailed to examine how many days' rations, clothing, &c., can be carried by troops on their persons on a march without wagons, herewith, marked K.

I will reply to your questions as follows:

Question 1. "The orders for the outfit and equipment?

Answer. It was ordered mainly that each man should carry eight days' short rations of provisions, one change of under-clothing, and sixty rounds of ammunition on his person. He was also to carry his blanket or overcoat, his musket and accoutrements. In many instances both blanket and overcoat were carried, but it was not the intention.

Question 2. "The details of the outfit and equipment; the burden carried by each soldier, and its weight," &c.

Answer. The total weight carried by each soldier was forty-five pounds. It consisted of his knapsack, haversack, subsistence, and change of under-clothing; overcoat or blanket, arms and accoutrements, and one piece of shelter tent. Eight days' short rations were carried on the person, stowed as follows: five days' in the knapsack, and three days' in the haversack. Forty rounds of ammunition were carried in the cartridge-boxes, and twenty rounds in the pockets of the man's clothing. The total weight carried by the men, as reported by the different corps quartermasters, varies somewhat. The amount stated by me, however, is the correct figure.

Question 3. "Same as to officers?"

Answer. Each officer was responsible for his own outfit. It was to be carried by himself or servant. In some instances a few pack-animals were used.

Question 4. "What tents were taken with the troops, and how transported?"

Answer. Shelter tents were taken by the troops, each soldier carrying a piece.

Question 5. "What wagons, if any, accompanied the marching columns?"

Answer. No wagons followed the main column over the river at first; some ammunition wagons were brought up, but not necessarily.

Question 6. "What pack-trains?"

Answer. Pack-mules were used to transport reserve ammunition, and to pack up other supplies from the wagon parks.

Question 7. "The details of loading of each wagon and pack-mule?"

Answer. A six-mule wagon will carry 1,400 short rations of provisions, bread, coffee, sugar, salt, and soap, and eight days' rations of short forage for the six mules, or twenty-five boxes small-arm ammunition. A good pack-mule could carry two boxes small-arm ammunition, and six days' oats for himself, or an equivalent in weight of subsistence for men.

Question 8. "The organization of the teams?"

Answer. The teams and pack-trains were distributed to the corps and other commanders on the basis established in my circular of March 10, 1863, herewith, marked L. It was ordered that mules for packing should be drawn from the ammunition and supply trains when necessary, but never more than two from any one team, thus leaving four mules for the wagon. By this arrangement all the wagons could move forward when required, with moderate loads, while pack-trains were being used.

Question 9. "The actual supply of ammunition and of rations accompanying the marching column?"

Answer. The troops carried eight days' supply of provisions and sixty rounds of ammunition on their persons.

Question 10. "The supplies moved from Falmouth and following in rear of the army?"

Answer. On the wagons and pack-mules there must have been at least six or eight days' more, all loaded and ready for the road. There was a plentiful supply of ammunition.

Question 11. "What did the troops carry through the campaign? Did they throw away overcoats, &c., &c.?"

Answer. The troops carried through the campaign only those things most necessary for their constant use. On the second and third days many abandoned overcoats and blankets, as the weather was warm. Very many abandoned their knapsacks on going into action. The impulse with the soldiers to throw off all impediments, under such circumstances, is almost irresistible. With proper discipline soldiers can be made to take care of their knapsacks and all other property put on their persons. On the late campaign a blanket should have been taken, but no overcoat. Both weigh a man down too heavily, and are not necessary in moderate weather. When men become heated or fatigued they will throw away such articles as are not imperatively needed. On short campaigns, or marches of four or five days without wagons, I would not take a knapsack at all, but would put the rations in the haversacks, and other things in the blanket, well folded and thrown over the right shoulder and looped under the left arm. But if knapsacks containing rations, &c., are worn by troops, *they should be made to fight with them on;* or, if that be deemed unadvisable, great care should be taken, before putting them in action, to have the knapsacks stowed away properly in the rear. On the late campaign the army abandoned in battle about twenty-five per cent. of the whole number; with due precaution these might, of course, have been saved. Along the roads and at camp-grounds I saw many parts of blankets, overcoats, &c., discarded. The accompanying reports will show quite clearly how much clothing was used up and abandoned in the campaign.

The army was perfectly equipped at the commencement in every particular, so far as concerned our department. The issues made immediately after were to supply deficiencies, which arose in the interim. On future marches this army will correct the errors referred to.

Question 12. "Have the men shown ability to carry those supplies without injury to health?"

Answer. The troops exhibited adequate strength to carry all the articles composing their outfit.

Marches were never made with more cheerfulness, vigor, and regularity. The army could have marched the eight days without embarrassment, so far as supplies were concerned. While at Chancellorsville no difficulty was experienced by our department in bringing forward all that was required. At no time did I feel that there could be any failure to supply the army on either side of the Rappahannock.

Question 13. "What are the daily marches? A map or itinerary of each brigade's or division's march would be of value."

Answer. A sketch is enclosed, marked M, showing the theatre of the operations. The system of transportation adopted with this army works admirably, and experience and observation have suggested no further change. I am satisfied with it, and I believe this army is. The number of ambulances is now reduced to two to each regiment.

The pack-mule system cannot be relied on for long marches with heavy columns. I shall have few hereafter, and intend to make them auxiliary simply to wagons, for short distances over rough country, where there are few and bad roads.

The new standard of means of transportation for the cavalry is as follows:

Four wagons to each 1,000 men for small-arm ammunition.

One wagon for hospital supplies for each regiment.

One wagon for regimental headquarters.

One wagon and two pack-mules for each company.

I do not consider that this scale can be amended. I desire to state that all the animals belonging to our department are now in splendid condition, except the pack-mules, most of which are in good order as to flesh, but have been galled badly in packing.

I wish to call your attention to General Pleasonton's report, in order that you may perfectly understand why I call for so many cavalry horses. The report explains the case briefly. You will recollect that just before our late cavalry raid there was a review of the whole corps by his excellency the President of the United States. It was admitted on all sides that the corps was then in fine condition. There were present for duty at that time certainly at least 10,000 horses. To-day not more than 5,000 serviceable ones can be mustered in the corps.

There has been no complaint of extraordinary marches or want of forage. What, then, has temporarily destroyed these horses? If we inflicted a proportionate loss on the enemy, he has suffered terribly.

There was too much weight carried on the cavalry horses after leaving the Rappahannock; they were not unsaddled, perhaps, and groomed at intervals, to say nothing of irregular watering and feeding, &c.

I am, very respectfully, your most obedient servant,

RUFUS INGALLS,
Brig. Gen. and Chief Quartermaster, Army of Potomac.

Brigadier General M. C. MEIGS,
Quartermaster General U. S. A., Washington, D. C.

No. 2.

HEADQUARTERS DEPARTMENT OF THE CUMBERLAND,
Nashville, Tennessee, October 24, 1864.

GENERAL: I have the honor, by the direction of the major general commanding, to express to you the great satisfaction he has felt during his recent inspection and examination of the different branches of the quartermaster's department under your supervision and charge at this post. He desires, not only to signify his warm approval of all that you have undertaken and so successfully completed, but would commend you for the earnest, untiring zeal with which you have devoted your energies to the interests of the army, in anticipating and supplying its wants, and thus assisting, in no small measure, its successful advancement, and to the final triumph in the campaign just closed. Particularly is he pleased with the order and system which rules and regulates in every subdivision of your department, wrought out as it has been by your industry from the chaos and confusion in which you found it upon your entry upon duty here.

He has viewed with evident satisfaction your effort, in the organization of the employés of the quartermaster's and commissary departments, to render every man in those departments useful as a soldier, in addition to his other duties, and would encourage you to a continued perseverance to effect the object aimed at, feeling assured of your ultimate and complete success.

I am, general, very respectfully, your obedient servant,

ROBERT H. RAMSEY, *A. A. G.*

Brevet Brigadier General J. L. DONALDSON,
Chief Quartermaster Department of the Cumberland.

A true copy:

J. L. DONALDSON,
Brevet Brigadier General and Chief Quartermaster,
Department of the Cumberland.

No. 3.

Extract from annual report of Captain James M. Moore, A. Q. M., relating to the national cemeteries and the burial of deceased soldiers and others dying in the service of the United States in hospitals in and about Washington.

The charge of the national cemeteries and the burial of deceased soldiers and others dying in the service of the United States in hospitals in and about Washington is under the jurisdiction of this office, and is probably the most important of my specialties.

It was deemed advisable at the expiration of the burial contract, December 31, 1863, for the government to manufacture all the coffins required for interments in the national cemeteries, as well as those needed for shipment to distant points. The coffins now issued cost less than one-half the price paid by contract, and are far superior. The hearses used for transportation to the graves are covered ambulances, painted black, and are well suited for the purpose.

The tablets or headboards are principally of white pine, with the exception of some four thousand of black walnut purchased more than a year ago. They are painted in white and lettered in black, with the name, company, regiment, and date of death. I would here remark that, unless the tablets are painted before lettering, the wood will absorb the oil in the paint and the rain soon wash off the lead in lettering.

By much pains and labor I have succeeded in preparing a mortuary record for future reference, giving a succinct history of the deceased, every page of which has been compared with the records of hospitals, and up to the present date believed to be the most reliable register of the dead extant.

Information is daily furnished to numerous friends respecting deceased soldiers, and frequently before it can be obtained elsewhere, as the record is always kept up to date, no matter how great may be the mortality.

In May last the ground of the cemetery in the rear of the Old Soldiers' Home having become exhausted, the Secretary of War directed that a new site be selected on Lee's farm, at Arlington, Virginia. The locality is well adapted for a cemetery, and is being appropriately improved for that object. Intelligent and reliable sextons are placed in charge, who keep a register of all interments made, with the particulars concerning each, for the information of visitors.

The miserable condition of the cemetery in the vicinity of the Old Soldiers' Home, and the frequent complaints of persons respecting it, induced me, early in December, to commence the painting and lettering of headboards, the few remaining up having become so obliterated by exposure to the weather that it was with difficulty many names could be read. The ground was filled with hollows containing vast pools of water, and the mounds so washed by heavy rains that in some places hardly a trace was left, but for an unsightly stake, to indicate the graves of the departed.

During the winter I manufactured the tablets, and by the first of March had four thousand of them ready to be placed in the ground, and but a few months elapsed until this cemetery presented a new aspect. The ground was refenced, a neat and handsome lodge was erected, a garden laid out, the graves sodded, the walks gravelled, choice flowers and trees planted, indeed so transformed in appearance as to be almost unknown to those who had previously visited it.

Great care and attention has also been paid to the Harmony burial-ground, where all soldiers dying of infectious diseases, and contrabands, are interred.

The improvements of the national cemeteries has been a source of great gratification to all who visit them, and entirely dissipated the prevailing opinion of those living remote from Washington, that soldiers were irreverently or carelessly buried.

* * * * * * * * *

I have appended for your information an abstract of the burial record, showing the number of men who died in hospitals in this vicinity, with the nativities, ages, causes of death, &c., from August 1, 1861, to August 1, 1864.

Cemetery.	Opened.	Closed.	BURIED.		EXHUMED.		TAKEN BY FRIENDS.	
			White.	Black.	White.	Black.	White.	Black.
Old Soldiers' Home	Aug. 1, 1861	May 13, 1864	5,447	529	714	.....	2,159	12
Union	Oct. 1, 1862	Feb. 17, 1863	.....	1,012	.....	.....	.....	.....
Harmony	Feb. 17, 1863	.....	473	2,667	4	.....	.....	.....
New National, Arlington	May 13, 1864.	.....	2,619	231	111	.....	.....	.....
			8,539	4,169	829	.....	2,159	12

Ages of deceased.

2 years, 2; 5 years, 1; 12 years, 1; 14 years, 3; 15 years, 23; 16 years, 61; 17 years, 152; 18 years, 468; 19 years, 449; 20 years, 441; 21 years, 528; 22 years, 438; 23 years, 375; 24 years, 346; 25 years, 271; 26 years, 243; 27 years, 205; 28 years, 256; 29 years, 148; 30 years, 204; 31 years, 96; 32 years, 123; 33 years, 134; 34 years, 119; 35 years, 146; 36 years, 87; 37 years, 85; 38 years, 108; 39 years, 58; 40 years, 122; 41 years, 39; 42 years, 65; 43 years, 52; 44 years, 9; 45 years, 79; 46 years, 26; 47 years, 32; 48 years, 28; 49 years, 23; 50 years, 36; 51 years, 11; 52 years, 25; 53 years, 17; 54 years, 9; 55 years, 4; 56 years, 5; 57 years, 2; 58 years, 4; 59 years, 6; 60 years, 13; 61 years, 5; 62 years, 3; 63 years, 5; 64 years, 3; 65 years, 1; 67 years, 1; 68 years, 1; 69 years, 1; 70 years, 1; 71 years, 1; 74 years, 1; 78 years, 1.

Known ages—whites, 6,310; black, 0. Unknown ages—whites, 5,217; blacks, 4,181. Total, 15,708.

Nativity.

United States	4,910	Germany	306
England	142	Switzerland	18
Ireland	444	Italy	5
Scotland	40	Canada	108
Wales	7	Bavaria	4
France	22	Holland	2
Russia	1	Saxony	2
Austria	2	Nova Scotia	9
Sweden	4	Newfoundland	2
Denmark	2	New Brunswick	8
Poland	1	West Indies	1
Norway	5	St. Helena	1
Turkey	1	Isle of Man	1
Spain	1	Mexico	1
Persia	1	Contrabands	4,181
Prussia	20	Unknown	5,456
Total			15,708

State of enlistment and description of service.

Maine	695	Minnesota	3
Vermont	368	Unknown	566
Rhode Island	86	Quartermaster's department	253
New York	3,254	Ordnance department	2
Pennsylvania	2,377	Paymaster's department	1
Maryland	112	Engineer corps	1
Virginia	144	Sappers and miners	1
South Carolina	25	Independent corps	3
Florida	2	Page's battalion	3
Mississippi	15	Colum's cavalry	1
California	6	Harlin's cavalry	1
Kentucky	2	McClellan dragoons	1
Ohio	319	Regan's artillery	1
Illinois	66	Deserter	1
Wisconsin	219	Soldiers' wives	5
United States	423	Nurses	7
New Hampshire	263	Commissary department	7
Massachusetts	678	Telegraph department	2
Connecticut	162	Veteran reserve corps	192
New Jersey	404	Signal corps	1
Delaware	54	General Halleck's headquarters	2
District of Columbia	66	Rocket brigade	1
North Carolina	106	Citizen prisoners	16
Georgia	44	Railroad employés	1
Alabama	15	Scout	1
Louisiana	8	Sailors	2
Missouri	8	Conscripts	4
Tennessee	3	Servants	5
Michigan	616	Soldiers' children	4
Indiana	164	Contrabands	4,181
Total			15,708

Places of death.

Armory hospital	1,158	Ascension hospital	69
Baptist hospital	8	Contrabands	4,181
Circle hospital	66	Campbell hospital	349
Camp and post hospitals	975	Columbian hospital	511
Capitol hospital	16	Cliffbourn hospital	176
Carver hospital	627	Casparis hospital	26
Dumbarton hospital	13	Cranch hospital	26
Douglas hospital	522	Desmares hospital	4
Emory hospital	773	Epiphany hospital	31
E Street hospital	56	Eckington hospital	91
Forrest Hall prison	3	Ebenezer hospital	37
Giesboro' hospital	196	Finley hospital	444
Harewood hospital	760	Georgetown College hospital	103
Island Hall hospital	11	Home Sanitary Commission	114
Kalorama hospital	572	Judiciary hospital	470
Mount Pleasant hospital	667	Lincoln hospital	655
Odd Fellows' Hall hospital, (Navy Yard)	24	Nurses' Home	1
		Old Capitol prison	62

Park hospital	9	Patent hospital	201
Providence hospital	1	Potomac river	51
Presbyterian hospital	27	Ryland Chapel and Grace Ch. hospital	24
Quartermaster's hospital	150	Stanton hospital	387
St. Aloysius hospital	50	Seminary hospital	194
St. Elizabeth hospital	88	Steamers	65
Stone hospital	56	Trinity hospital, Washington	70
Soldiers' Rest	32	Union hospital, Washington	12
Trinity hospital, Georgetown	15	Waters's Warehouse hospital,	27
Union hospital, Georgetown	165	District of Columbia	261
Thirteenth Street hospital	1		
Total			15,708

No. 4.

Abstract of appropriations for the quartermaster's department for the fiscal years 1862, '63, '64, '65, *and including arrearages for* 1861.

Fiscal year.	Quartermaster's department.	Incidental expenses of the quartermaster's department.	Purchase of horses.	Barracks, quarters, &c.	Transportation of the army.	Transportation of officers' baggage.	Clothing of the army.
Appropriation for the fiscal year ending June 30, 1862, including arrearages for 1861	$14,265,059 37	$7,666,666 00	$10,514,500 00	$1,500,000 00	$16,220,954 00	$500,000 00	$13,416,037 02
January 15, war warrant							
Appropriation March 18, war warrant, act of February 25, 1862			1,661,040 00		14,881,000 00		12,173,546 77
Appropriation March 27, war warrant, act of February 25, 1862	13,000,000 00	6,000,000 00	5,000,000 00	500,000 00	22,000,000 00		29,000,000 00
Appropriation for the fiscal year ending June 30, 1863	36,912,000 00	20,836,750 00	5,400,000 00	4,234,000 00	40,000,000 00	1,291,600 00	39,322,513 25
Deficiency bill for the fiscal year ending June 30, 1863	6,000,000 00		11,000,000 00	1,730,000 00	25,000,000 00		27,136,000 00
Appropriation for the fiscal year ending June 30, 1864	67,217,791 00	19,125,000 00	23,189,375 00	8,000,000 00	56,500,000 00	1,000,000 00	76,281,911 54
Deficiency bill for the fiscal year ending June 30, 1864	18,500,000 00	2,000,000 00	17,500,000 00	3,500,000 00	30,000,000 00	100,000 00	7,000,000 00
Appropriation for the fiscal year ending June 30, 1865	60,000,000 00	13,000,000 00	21,000,000 00	5,000,000 00	40,000,000 00	700,000 00	58,000,000 00
	215,894,850 37	68,628,416 00	95,264,915 00	24,464,000 00	244,601,954 00	3,591,600 00	262,330,008 58

Abstract of appropriations for the quartermaster's department, &c.—Continued.

Fiscal year.	Military telegraph.	Transportation of prisoners.	Appropriation for stoves.	Collecting, organizing, and drilling volunteers.	Construction, &c., of steam rams.	Gunboats for western rivers.	Totals.
Appropriation for the fiscal year ending June 30, 1862, including arrearages for 1861						$1,000,000 00	$65,083,216 39
January 15, war warrant				$500,000 00			5,000,000 00
Appropriation March 18, war warrant, act of February 25, 1862							28,715,586 77
Appropriation March 27, war warrant, act of February 25, 1862		$1,000,000 00					76,500,000 00
Appropriation for the fiscal year ending June 30, 1863	$500,000 00	3,373,728 00	$90,000 00		$580,000 00	2,560,000 00	155,100,591 25
Deficiency bill for the fiscal year ending June 30, 1863					450,000 00		71,316,000 00
Appropriation for the fiscal year ending June 30, 1864	500,000 00	1,500,000 00	140,000 00				253,454,077 54
Deficiency bill for the fiscal year ending June 30, 1864							78,600,000 00
Appropriation for the fiscal year ending June 30, 1865	275,000 00	900,000 00			275,000 00		199,250,000 00
	1,275,000 00	6,773,728 00	230,000 00	500,000 00	1,305,000 00	3,560,000 00	933,019,471 95
Special appropriation entered May 23, 1864, for clothing, &c., of 100-day volunteers							5,000,000 00
							938,019,471 95

No. 5.

Monthly statement of clothing reported on hand at the various clothing depots for July 1, 1864.

Articles of clothing.	New York.	Philadelphia.	Cincinnati.	St. Louis.	Washington.	Baltimore.	Augusta.	Boston.	Fortress Monroe.
Uniform coats:									
Engineers	758	2,344							
Ordnance		1,925			87			20	
Artillery	8,125	14,359		5,118	4,955	3,643		3,707	1,555
Infantry	43 131	25,961	38,620	9,935	45,506	4,468	1,154	12,493	6,542
Uniform jackets:									
Cavalry		33,006		8,919	7,250	7,099	190	3,634	4,599
Artillery	2,860	18,881	2,615	4,555	8,234	2,337	80	2,042	1,497
Infantry	913								3,613
Zouave						21			51
Knit									
Invalid corps	1,373	11,239	11,188	200	5,133	983		599	788
Uniform trowsers:									
Footmen		70,609		25,703	33,535	18,393	236	7,195	28,985
Horsemen		36,025	6,435	35,640	9,176	14,157	338	4,320	7,151
Zouave						16			30
Knit									
Cotton duck trowsers									
Zouave vests									70
Overalls	2,951	2,127	2,000	7,381		365			2,800
Drawers	250,392	148,296	513,392	48,909	133,989	24,980	246	20,291	25,555
Shirts, flannel	277,411	702,065	377,633	95,188	153,846	24,875	943	14,942	17,835
Shirts, knit	108,593			5,196	442		269	6,024	
Shirts, zouave									
Greatcoats:									
Footmen	197,703	152,968	29,208	53,117	33,904	6,698	694	9,714	1,969
Horsemen	50,382	59,230	57,913	14,402	10,908	5,550	349	1,317	581
Straps for greatcoats	353,822	404,126	163,268	77,912	12,633	30,759		14,624	19,680
Blankets, woollen	87,570	19,394	45,651	40,247	62,180	9,034	118	7,382	9,679
Blankets, rubber and painted	13,676		19,694	1,225	6,574	6,680	762	4,934	20,516
Ponchos	57,391	29,492		30,871	1,795	6,459	200	5,327	
Talmas									
Sack-coats:									
Lined	204,000		21,520	2,036		9,986	828	7,869	11,618
Unlined	84,997			34,182	6,750	14,571	26	364	1
Knit	786								844
Bootees	428,393	431,625	203,877	91,676	132,174	19,947	1,767	7,710	22,181
Boots	87,001	85,380	27,938	26,550	23,346	6,010	504	5,423	6,067
Leggings, zouave, &c		8,031		122	8,784	356	993		5,166
Stockings	313,011	91,498	333,301	119,961	195,737	42,927	2,302	13,892	47,688
Stocks, leather	53,773	34,457	30,925	8,753	6,246	1,848		21,059	27,431
Uniform hats, trimmed				42,432					
Uniform hats, untrimmed	140,611	68,357	21,075	41,623	1,933	4,977		23,187	2,710
Uniform caps	154	1,145				20			1,001
Forage caps	36,620	122,131	24,745	20,250	43,990	5,871	4,350	6,894	18,012
Zouave caps		4,201				3			73
Cap-covers	220,501	39,056	21,808	975			2,310	2,630	
Stable frocks	71,342	3,217	7,945	10,146	4,854	1,348	576	450	1,221
Sashes	6,176	2,479	632	2,389	642	184		446	66
Gloves			4	211	55				
Mittens			30,243	8,687	50,355				23
Knapsacks	74,159	97,791	92,297	17,501	21,926	8,651	149	13,715	8,332
Haversacks	58,684	78,712	3,988	19,615	35,006	13,318	70	14,738	
Canteens	52,402	176,453	47,732	23,084	41,458	11,335		14,404	262

No. 5.—*Monthly statement of clothing reported on hand, &c.*—Continued.

Articles of clothing.	Harrisburg.	Wheeling.	Indianapolis.	Columbus.	Fort Leavenworth.	Quincy.	Steubenville.	Pittsburg.	Detroit.
Uniform coats:									
Engineers'	.....	.....	.....	.....	120	.....	.....	.....	.....
Ordnance	.....	.....	.....	.....	67	.....	.....	.....	2
Artillery	.....	.....	.....	.....	395	.....	.....	.....	.....
Infantry	23,197	719	11,160	8,599	12,677	2,331	.....	15,116	4,381
Uniform jackets:									
Cavalry	3,366	3,660	3,872	2,951	7,169	88	.....	4,365	2,047
Artillery	1,629	320	1,187	764	865	60	.....	303	430
Infantry	.....	.....	5,426	.....	.....	1,161	.....	202	.....
Zouave	.....	.....	.....	.....	.....	.....	.....	.....	.....
Knit	4,199	.....	.....	.....	.....	.....	.....	.....	.....
Invalid corps	.....	.....	.....	.....	.....	47	.....	160	.....
Uniform trowsers:									
Footmen	27,190	7,050	21,602	8,057	4,374	7,756	10,602	3,107	1,994
Horsemen	2,687	2,966	3,211	2,754	6,208	91	2,079	3,109	2,397
Zouave	.....	.....	.....	.....	.....	.....	.....	.....	.....
Knit	.....	.....	.....	.....	.....	.....	.....	.....	.....
Cotton duck trowsers	.....	.....	.....	.....	.....	.....	.....	.....	.....
Zouave vests	.....	.....	.....	.....	.....	.....	.....	.....	.....
Overalls	.....	.....	.....	.....	23	.....	.....	.....	.....
Drawers	11,860	7,067	.....	18,271	19,114	459	1,654	12,193	4,953
Shirts, flannel	42,274	2,016	37,023	12,248	23,057	1,957	1,268	14,840	5,022
Shirts, knit	.....	.....	.....	.....	.....	.....	.....	.....	.....
Shirts, zouave	.....	.....	.....	.....	.....	.....	.....	.....	.....
Greatcoats:									
Footmen	3,515	5,320	10,255	2,125	12,303	519	.....	7,999	1,834
Horsemen	1,926	7,321	4,707	337	15,219	298	.....	3,432	2,054
Straps for greatcoats	11,698	.....	7,074	28,072	58,193	.....	.....	11,487	10,405
Blankets, woollen	7,621	7,604	19,594	9,726	16,234	1,625	.....	11,656	3,932
Blankets, rubber and painted	2,964	2,050	20,524	3	4,961	350	.....	.....	.....
Ponchos	4,194	4,350	1	10,164	.....	.....	.....	.....	1
Talmas	.....	.....	.....	.....	.....	.....	.....	.....	.....
Sack-coats:									
Lined	401	3,042	.....	3,526	13,995	358	1,954	826	278
Unlined	15,388	674	20,599	.....	4,919	1,176	776	568	.....
Knit	.....	.....	.....	.....	.....	.....	.....	.....	.....
Bootees	33,678	4,950	43,109	32,832	33,535	297	.....	3,105	2,306
Boots	2,911	407	2,736	2,173	4,061	154	.....	1,360	1,393
Leggings, zouave, &c	.....	.....	.....	.....	.....	.....	.....	.....	.....
Stockings	45,287	6,234	34,385	16,632	30,199	267	.....	4,179	5,759
Stocks, leather	589	1,323	16,153	16,095	22,373	.....	.....	3,985	2,759
Uniform hats, trimmed	.....	.....	.....	.....	.....	.....	.....	.....	.....
Uniform hats, untrimmed	7,220	2,802	10,418	2,655	23,484	140	.....	2,163	17
Uniform caps	.....	.....	.....	.....	.....	.....	.....	.....	.....
Forage caps	18,046	3,493	20,685	13,189	20,816	44	.....	12,875	2,779
Zouave caps	.....	.....	.....	.....	.....	.....	.....	.....	.....
Cap-covers	5,076	4,085	.....	15,380	47	.....	.....	7,550	.....
Stable frocks	2,032	.....	922	1,955	.....	.....	.....	3,199	2,140
Sashes	.....	30	157	200	216	.....	.....	.....	10
Gloves	.....	.....	.....	200	.....	.....	.....	.....	.....
Mittens	2,441	.....	.....	.....	14,020	.....	.....	12	.....
Knapsacks	20,767	5,044	29,583	9,352	7,673	775	.....	10,501	2,211
Haversacks	35,039	8,355	27,052	6,035	8,039	537	.....	7,939	2,026
Canteens	180,628	2,174	25,706	8,085	9,498	347	.....	5,523	4,735

No. 5.—*Monthly statement of clothing reported on hand, &c.*—Continued.

Articles of clothing.	Louisville.	Davenport.	Chicago.	Madison.	Springfield.	St. Paul.	Cairo.	Total on hand.
Uniform coats:								
Engineers	.....	.....	.....	.....	.....	.....	.....	3,222
Ordnance	.....	13	.....	4	.....	.....	.....	2,114
Artillery	500	1	.....	500	.....	.....	.....	*43,888
Infantry	6,022	2,299	2,642	2,992	11,715	6,397	3,871	301,928
Uniform jackets:								
Cavalry	1,966	13	2,410	1,273	3,532	3,301	700	105,431
Artillery	1,017	.....	1,726	546	1,042	.....	566	53,617
Infantry	230	.....	119	.....	.....	.....	313	11,977
Zouave	.....	.....	.....	.....	.....	.....	.....	72
Knit	8,870	.....	3,985	.....	.....	.....	.....	17,054
Invalid corps	.....	.....	.....	.....	935	.....	.....	32,645
Uniform trowsers:								
Footmen	15,803	6,543	8,636	3,427	19,125	7,530	.....	337,392
Horsemen	14,358	280	2,147	67	5,179	4,556	678	165,999
Zouave	.....	.....	.....	.....	.....	.....	.....	46
Knit	.....	.....	.....	.....	.....	.....	.....	.....
Cotton duck trowsers	.....	.....	.....	.....	.....	.....	67	67
Zouave vests	.....	.....	.....	.....	.....	.....	.....	70
Overalls	900	.....	.....	.....	.....	.....	.....	18,547
Drawers	26,722	14,009	1,341	7,537	36,359	9,572	.....	1,337,091
Shirts, flannel	23,150	13,203	12,319	6,350	27,051	9,289	294	1,892,009
Shirts, knit	.....	.....	.....	.....	1,815	.....	368	122,707
Shirts, zouave	.....	.....	.....	.....	.....	.....	.....	.....
Greatcoats:								
Footmen	7,639	5,258	10,216	3,940	10,329	3,490	190	571,037
Horsemen	3,902	100	2,815	2,098	4,535	1,417	299	251,392
Straps for greatcoats	11,834	550	2,752	56	5,400	2,865	.....	1,227,210
Blankets, woollen	8,347	7,808	9,605	3,161	23,907	7,392	73	419,540
Blankets, rubber and painted	4	6,410	5,213	4,474	321	350	616	121,691
Ponchos	10,800	26	2	.....	10,468	548	113	172,202
Talmas	4	.....	.....	.....	.....	.....	.....	4
Sack-coats:								
Lined	19,847	6,809	5,044	3,614	12,306	846	2,270	332,903
Unlined	.....	.....	3,519	3,000	.....	1,081	1,526	194,117
Knit	.....	.....	.....	.....	85	1,966	.....	3,681
Bootees	18,543	8,697	15,370	6,721	23,156	14,534	1,401	1,591,094
Boots	16,140	744	3,173	869	5,704	1,044	372	311,460
Leggings, zouave, &c	.....	.....	.....	.....	.....	.....	.....	23,452
Stockings	77,355	12,862	15,783	7,982	32,678	14,690	153	1,374,962
Stocks, leather	9,978	900	9,239	7,558	4,805	1,280	.....	281,529
Uniform hats, trimmed	.....	.....	.....	.....	.....	.....	.....	42,422
Uniform hats, untrimmed	9,730	3,336	12,558	.....	128	3,631	1,463	280,612
Uniform caps	.....	.....	.....	.....	.....	.....	.....	2,280
Forage caps	9,186	6,681	12,201	6,707	24,250	7,210	1,528	442,636
Zouave caps	.....	.....	.....	.....	.....	.....	.....	4,277
Cap-covers	31,673	.....	2	.....	.....	.....	145	351,734
Stable frocks	79	.....	2,998	.....	532	1,260	125	116,341
Sashes	253	90	166	131	108	21	1	14,397
Gloves	.....	.....	.....	.....	11,674	.....	138	12,282
Mittens	.....	.....	.....	5,362	20,588	2,880	.....	134,011
Knapsacks	10,787	13,161	12,368	6,021	18,416	3,158	3,071	487,409
Haversacks	14,568	13,300	11,559	5,258	16,625	5,092	3,974	330,529
Canteens	17,890	10,130	12,449	4,578	16,673	2,040	130	607,716

Monthly statement of camp and garrison equipage reported on hand at the various clothing depots for July 1, 1864.

Articles of equipage.	New York.	Philadelphia.	Cincinnati.	St. Louis.	Washington.	Baltimore.	Augusta.	Boston.
Hospital tents	158	.....	75	1,302	234	57	.....	16
Wall tents	5,116	1,142	1,348	806	1,365	178	.....	51
Sibley tents	.....	7	.....	114	114	31	.....	29
Common tents	19,210	5,432	809	2,578	9,738	3,607	.....	165
Shelter tents	20,528	78,258	.....	50,220	34,519	9,442	.....	5,474
Frémont and Bell tents	.....	.....	.....	43	.....	.....	.....	17
Tent stoves	3,424	2,008	.....	808	1,557	304	.....	20
Bedsacks, single	61,254	23,342	4,318	3,936	5,911	1,117	.....	997
Bedsacks, double	15,800	38,074	681	1,954	5,988	1,104	.....	1,899
Mosquito bars	62,106	10,062	.....	11,390	.....	.....	.....	.....
Regimental colors	35	1	40	32	24	24	1	11
Camp colors	1	553	177	142	177	53	.....	124
National colors	60	74	18	57	11	11	.....	5
Standards	112	144	177	41	3	27	.....	1
Storm flags	240	63	25	5	74	38	.....	27
Garrison flags	41	85	41	23	11	17	.....	20
Recruiting flags	812	340	410	132	2	15	.....	85
Guidons	70	239	392	277	126	60	5	27
Pickaxes	627	1,546	22,104	11,820	11,652	774	283	2,544
Axes	.....	7,143	19,983	4,839	16,837	975	129	2,223
Spades	3,062	3,690	10,493	9,805	9,081	57	116	3,727
Shovels	3,820	6,896	.....	2,134	11,283	62	.....	.....
Hatchets	12,997	9,278	5,018	7,579	5,080	773	30	1,642
Mess-pans	30,872	61,805	9,002	42,908	9,484	7,698	1,685	6,471
Iron pots	578	428	.....	47	102	.....	.....	.....
Camp kettles	14,298	28,080	26,896	1,238	5,862	3,180	835	638
Bugles	304	1,724	222	1,173	288	65	.....	418
Trumpets	544	80	488	386	189	149	.....	12
Drums	533	1,936	725	993	.....	97	13	395
Fifes	2,223	3,075	1,812	2,048	819	73	7	465
General hospital flags	99	42	.....	.....	35	23	.....	.....
Post and field hospital flags	174	153	.....	.....	92	67	.....	.....
Ambulance flags	418	384	.....	.....	217	76	.....	.....
Books:								
Company order	1,201	1,217	.....	905	392	3	37	67
Company clothing account	1,127	2,547	.....	982	393	5	38	63
Company descriptive	1,013	1,343	.....	1,018	418	3	38	12
Company morning report	1,736	2,184	.....	734	408	105	38	142
Post order	1,271	3,212	165	49	266	93	.....	41
Post morning report	1,373	3,699	98	37	273	79	.....	46
Post letter	1,285	3,175	165	93	353	60	.....	46
Post guard	824	2,545	151	79	68	72	.....	48
Regimental general order	384	133	.....	98	101	75	.....	28
Regimental letter	212	285	.....	86	104	56	.....	17
Regimental descriptive	37	185	.....	77	166	55	.....	18
Regimental index	85	204	138	92	138	52	.....	27
Regimental order	89	148	.....	70	103	60	.....	18
Target practice	1,978	230	.....	.....	33	50	.....	.....
Consolidated morning report	.....	.....	.....	.....	.....	.....	.....	.....
Inspection	.....	43	.....	.....	.....	.....	.....	.....
Brigade letter	39	70	.....	7	11	.....	.....	.....
Brigade letter received	40	70	.....	7	9	.....	.....	.....
Brigade order	28	34	.....	7	25	.....	.....	.....
Indorsement and memorandum	42	104	.....	7	.....	.....	.....	.....

Monthly statement of camp and garrison equipage, &c.—Continued.

Articles of equipage.	Fortress Monroe.	St. Paul.	Wheeling.	Indianapolis.	Columbus.	Fort Leavenworth.	Quincy.	Chicago.
Hospital tents	42			16	16	112		34
Wall tents	276	1		20	905	96	54	558
Sibley tents	12					11		5
Common tents	2,632	15		483	374	1,773		246
Shelter tents	7,673		4,456	9,927	724	13,925		3,004
Frêmont and Bell tents				99				
Tent stoves	851			365		530		571
Bedsacks, single	1,218	97	289			21,119		23
Bedsacks, double	472	400	500		78	4,754		594
Mosquito bars	145					68		
Regimental colors			3	32	4			18
Camp colors	101	4	57	228	42	23		4
National colors			6	31	2			22
Standards		1		4				
Storm flags	24	2	4		9	33		4
Garrison flags	27				1	19		1
Recruiting flags	20		1		3	31		
Guidons	39			26		84		
Pickaxes	2,179	441	402	2,883	1,783	3,585	201	1,258
Axes	827	518	1,488	3,581	1,059	2,036	46	2,559
Spades	470	431	409	2,537	980	2,356	74	1,032
Shovels	154				52			
Hatchets	5,592	590	857	3,854	1,114	3,617	100	2,701
Mess-pans	12,833	1,122	5,402	8,898	4,332	5,474	316	5,269
Iron pots	57					75		80
Camp kettles	1,101	442	1,756	3,330	1,280	1,910	131	1,747
Bugles	77		10	81	110	122		70
Trumpets	64	30			10	148		70
Drums	135	43	23	260	219	156		70
Fifes	731	3	52	376	209	71		108
General hospital flags								
Post and field hospital flags								
Ambulance flags								
Books:								
Company order	149	34	26	185	239	156	3	128
Company clothing account	161	42	26	185	239	86	3	137
Company descriptive	145	41	26	179	239	165	3	131
Company morning report	150	39	26	184	239	131	3	144
Post order	33			13	11	41		
Post morning report	34			25	11	46		
Post letter	25			14	11	38		
Post guard	171			18	5	29		
Regimental general order	102		2	23	18	29		23
Regimental letter	85		20	33	29	35		17
Regimental descriptive	69		2	27	28	55		16
Regimental index	37		25	33	23	50		2
Regimental order	72		22	27	32	50		16
Target practice						6		
Consolidated morning report								
Inspection								
Brigade letter	21							
Brigade letter received	21							
Brigade order	23							
Indorsement and memorandum	11							

Monthly statement of camp and garrison equipage, &c.—Continued.

Articles of equipage.	Pittsburg.	Detroit.	Louisville.	Davenport.	Cairo.	Springfield.	Harrisburg.	Madison.	Total on hand.
Hospital tents	.....	.....	203	3	13	4	2	6	2,293
Wall tents	20	.....	241	3	65	159	265	43	12,719
Sibley tents	.....	.....	.....	.....	.....	.....	3	.....	326
Common tents	200	78	41	2	229	5	.....	9	47,626
Shelter tents	6,791	2	4,021	2,284	1,249	3,476	.....	29	256,002
Frémont and Bell tents	.....	.....	270	.....	.....	.....	.....	.....	429
Tent stoves	.....	42	19	.....	.....	.....	465	1	10,966
Bedsacks, single	.....	1,201	1,072	.....	.....	.....	353	.....	126,231
Bedsacks, double	.....	2	.....	.....	312	99	475	138	73,324
Mosquito bars	.....	.....	.....	.....	.....	.....	.....	.....	83,771
Regimental colors	1	2	4	5	.....	7	5	3	252
Camp colors	13	10	.....	60	.....	112	87	32	2,000
National colors	8	2	12	14	.....	5	5	3	346
Standards	.....	.....	1	2	.....	.....	4	.....	517
Storm flags	.....	1	3	2	4	.....	3	2	562
Garrison flags	.....	.....	.....	.....	2	.....	4	1	293
Recruiting flags	5	37	7	.....	.....	1	10	7	1,968
Guidons	3	4	1	13	14	3	26	.....	1,394
Pickaxes	621	561	1,076	1,657	.....	2,097	2,471	769	73,334
Axes	219	318	74	1,798	156	1,769	6,620	930	73,127
Spades	282	116	605	1,760	278	1,371	4,268	956	58,556
Shovels	.....	.....	.....	.....	.....	.....	1,172	.....	25,573
Hatchets	783	213	272	1,808	.....	2,363	2,510	1,039	69,810
Mess-pans	4,480	840	2,320	3,083	166	6,674	23,051	2,081	256,176
Iron pots	.....	.....	.....	.....	.....	.....	.....	.....	1,367
Camp kettles	2,099	391	1,033	988	159	2,187	3,272	556	103,209
Bugles	.....	15	55	50	.....	22	44	.....	4,849
Trumpets	.....	.....	.....	23	8	5	86	.....	2,232
Drums	9	13	41	65	9	92	28	36	5,891
Fifes	.....	26	35	60	5	83	84	62	12,427
General hospital flags	.....	.....	25	.....	.....	.....	.....	.....	224
Post and field hospital flags	.....	.....	.....	.....	.....	.....	.....	.....	486
Ambulance flags	.....	.....	.....	.....	.....	.....	.....	.....	1,095
Books:									
Company order	27	50	.....	112	31	87	411	55	5,514
Company clothing account	27	.....	311	103	32	82	401	64	7,054
Company descriptive	15	50	86	122	36	92	412	64	5,651
Company morning report	27	48	66	40	30	58	425	62	7,039
Post order	.....	2	.....	.....	.....	.....	19	5	5,221
Post morning report	.....	3	.....	.....	.....	.....	19	6	5,749
Post letter	.....	4	.....	.....	.....	.....	19	6	5,294
Post guard	2	1	.....	5	.....	.....	20	2	4,040
Regimental general order	2	8	.....	6	9	6	31	3	961
Regimental letter	2	8	.....	10	10	6	32	6	1,053
Regimental descriptive	2	10	.....	10	12	6	29	4	808
Regimental index	1	8	25	11	11	6	32	6	1,066
Regimental order	2	8	.....	10	10	6	31	2	776
Target practice	.....	.....	.....	.....	.....	.....	.....	.....	2,297
Consolidated morning report	.....	.....	.....	8	.....	.....	.....	.....	8
Inspection	.....	.....	.....	.....	.....	.....	.....	.....	43
Brigade letter	.....	.....	.....	.....	.....	.....	.....	.....	148
Brigade letter received	.....	.....	.....	.....	.....	.....	.....	.....	147
Brigade order	.....	.....	.....	.....	.....	.....	.....	.....	117
Indorsement and memorandum	.....	.....	.....	.....	.....	.....	.....	.....	164

Received at the Depot of Clothing and Equipage, New York, for the fiscal year ending June 30, 1864.

Articles of clothing.	Total on hand.	Articles of equipage.	Total on hand.
Uniform coats, infantry	48,400	Hospital tents	2,511
Uniform jackets	113,953	Wall tents	14,557
Uniform trowsers, footmen	485,633	Common tents	69,484
Overalls	12,665	Shelter tents	158,372
Drawers	1,159,175	Bed sacks, single	75,964
Shirts, flannel	896,059	Regimental colors	261
Greatcoats, footmen	580,118	Camp colors	1,080
Blankets, woollen	591,861	National colors	270
Blankets, rubber	283,704	Storm flags	550
Ponchos	148,893	Garrison flags	200
Sack coats, lined and unlined	656,323	Recruiting flags	553
Bootees	745,062	Guidons	2,321
Boots	300,466	Pickaxes	6,873
Stockings	1,425,906	Axes	12,751
Uniform hats, untrimmed	286,971	Spades	11,582
Uniform caps	416,399	Shovels	7,350
Sashes	18,596	Hatchets	20,158
Knapsacks	202,496	Mess-pans	85,809
Haversacks	630,235	Camp kettles	30,830
Canteens	493,075	Trumpets	493
		Drums	4,194
		Fifes	4,379

Received at the Depot of Clothing and Equipage, Philadelphia, Pennsylvania, during the fiscal year ending June 30, 1864.

Articles of clothing.	Total on hand.	Articles of equipage.	Total on hand.
Uniform coats	50,540	Hospital tents	1,889
Uniform jackets, infantry	196,074	Wall tents	5,115
Trowsers, infantry	971,765	Common tents	35,389
Overalls	7,001	Shelter tents	361,171
Drawers	1,280,805	Bed sacks	108,839
Shirts	1,494,157	Mosquito bars	11,015
Greatcoats, footmen	411,874	Regimental colors	239
Blankets, woollen	429,853	Camp colors	801
Blankets, rubber	274,693	National colors	138
Ponchos	123,104	Flags	3,360
Sack coats	536,087	Guidons	1,140
Bootees	771,364	Pickaxes	19,926
Boots	214,281	Axes	72,990
Leggings	15,015	Spades	22,292
Stockings	2,275,175	Shovels	23,143
Stocks, leather	2,254	Hatchets	29,653
Hats	92,145	Mess-pans	71,765
Caps	390,082	Iron pots	350
Sashes	8,840	Camp kettles	56,152
Knapsacks	196,074	Bugles	3,753
Haversacks	626,742	Trumpets	4,807
Canteens	607,550	Drums	5,225
		Fifes	5,371
		Books	9,061

Received at the Depot of Clothing and Equipage at Cincinnati, Ohio, during the fiscal year ending June 30, 1864.

Articles of clothing.	Total on hand.	Articles of equipage.	Total on hand.
Uniform coats, engineers', ordnance, artillery, and infantry.	18,339	Hospital tents	3,572
		Wall tents	6,070
		Common tents	3,539
Uniform jackets, cavalry, artillery, infantry, zouave, knit, and invalid corps.	242,406	Shelter tents	202,649
		Bed sacks, single	10,923
		Bed sacks, double	5,852
Uniform trowsers, footmen	652,788	Regimental colors	247
Uniform trowsers, horsemen	356,621	Camp colors	141
Drawers	1,557,720	National colors	242
Shirts, flannel and knit	1,597,056	Standards	289
Greatcoats, footmen	140,022	Storm flags	131
Greatcoats, horsemen	180,447	Garrison flags	90
Blankets, woollen	527,075	Recruiting flags	502
Blankets, rubber and ponchos	355,626	Guidons	1,143
Sack-coats, lined	425,972	Pickaxes	25,653
Sack-coats, unlined	190,519	Axes	60,045
Bootees	859,629	Spades	32,064
Boots	305,920	Hatchets	15,761
Stockings	2,137,664	Mess pans	111,417
Uniform hats, trimmed	428,964	Camp kettles	93,060
Forage caps	201,462	Bugles, Ex. M. T	1,859
Knapsacks	270,549	Trumpets, Ex. M. T	576
Haversacks	512,658	Drums	1,903
Canteens	493,451	Fifes	3,068

Received at the Depot of Clothing and Equipage at St. Louis, Missouri, during the fiscal year ending June 30, 1864.

Articles of clothing.	Total on hand.	Articles of equipage.	Total on hand.
Uniform coats, engineers', ordnance, artillery, and infantry.	101,009	Hospital tents	1,726
		Wall tents	7,422
		Common tents	28,030
Uniform jackets, cavalry, artillery, and infantry.	83,222	Shelter tents	79,804
		Bed sacks, single	8,981
Uniform trowsers, footmen	334,947	Bed sacks, double	9,820
Uniform trowsers, horsemen	265,517	Regimental colors	130
Drawers	763,840	Camp colors	200
Shirts, flannel and knit	756,331	National colors	121
Greatcoats, footmen	93,066	Standards	60
Greatcoats, horsemen	80,066	Storm flags	103
Straps for greatcoats	50,355	Garrison flags	22
Blankets, woollen	341,983	Recruiting flags	102
Blanket, rubber and paint	125,373	Guidons	1,227
Ponchos	110,040	Pickaxes	10,598
Sack-coats, lined and unlined	290,783	Axes	20,534
Bootees	360,455	Spades	15,651
Boots	207,624	Shovels	5,080
Stockings	999,864	Hatchets	5,884
Uniform hats, trimmed and untrimmed.	260,769	Mess pans	56,225
		Iron pots	3
Forage caps	116,830	Camp kettles	27,103
Stable frocks	876	Bugles	1,960
Knapsacks	91,490	Trumpets	1,190
Haversacks	275,919	Drums	2,129
Canteens	251,112	Fifes	2,012

No. 6

Total amount of the articles of clothing and equipage, below enumerated, manufactured, purchased, &c., at the several depots of the quartermaster's department during the fiscal year ending June 30, 1864.

Articles of clothing.	Total received.	Articles of equipage.	Total received.
Uniform coats, engineers', ordnance, artillery, and infantry.	218,288	Hospital tents	9,698
		Wall tents	33,164
		Common tents	135,442
Uniform jackets, cavalry, artillery, infantry, zouave, knit, and invalid corps.	635,655	Shelter tents	801,996
		Bed sacks, single and double	220,429
		Regimental colors	927
Uniform trowsers, footmen and horsemen.	3,067,271	Camp colors	2,222
		National colors	771
Drawers	4,761,540	Storm flags, garrison flags, and recruiting flags.	5,613
Shirts, flannel and knit	4,743,663		
Greatcoats, footmen and horsemen	1,485,593	Guidons	5,831
		Pickaxes	63,050
Blankets, woollen	1,890,772	Axes	166,320
Blankets, rubber and ponchos	1,421,433	Spades	81,589
Sack coats, lined and unlined	2,099,684	Hatchets	71,456
Bootees	2,736,510	Mes-spans	325,216
Boots	1,028,291	Camp kettles	207,154
Stockings	6,838,609	Bugles	9,018
Uniform hats, untrimmed	1,068,849	Trumpets	7,066
Forage caps	1,124,773	Drums	13,451
Knapsacks	760,609	Fifes	14,830
Haversacks	2,045,554		
Canteens	1,845,188		

No. 7.

List of vessels owned by the United States, October 15, 1864.

SEA STEAMERS.

Names.	Class.	Tonnage.	Cost.
Albany	Screw	227	$30,000 00
Alliance	....do	395	60,000 00
Achilles	Side-wheel	324	45,000 00
Ashland	Screw	837.78	115,000 00
Alabama	Side-wheel	650	80,000 00
America	Screw	160	35,000 00
Belvidere	Side-wheel	803	75,000 00
Cahawba	....do	1,643	135,000 00
Continental	Screw	1,623.24	195,000 00
Cosmopolitan	Side-wheel	774.18	Seized.
Cossack	....do	618.90	50,000 00
Chase, Governor	Screw	750	105,000 00
Detroit	....do	440	40,000 00
Delaware	Side-wheel	616	80,000 00
Emilie	....do	458.76	40,000 00
Eastern State	Screw	350	30,000 00
Eagle	Side-wheel	392.17	25,000 00
Escort	....do	487	80,000 00
Exact	Screw	284	38,000 00
Guide	Side-wheel	731	50,000 00
Huzzar	Screw	351.22	22,500 00
Josephine	....do	254	30,000 00
Kamak	....do	960	95,000 00

List of vessels owned by the United States, October 15, 1864—Continued.

SEA STEAMERS.

Names.	Class.	Tonnage.	Cost.
Lancer	Screw	400.62	$46,000 00
McClellan	Side-wheel	1,003.41	75,000 00
Meigs, General	Screw	400	45,000 00
Neptune	Side-wheel	348.84	50,000 00
Northerner	do	650	70,000 00
Osgood, Charles	Screw	364	25,000 00
Patroon	do	237	20,000 00
Planet	do	352	30,000 00
Peabody, George	Side-wheel	1,017	85,000 00
Rice, John	Screw	782.5	100,000 00
Ranger	do	348.37	30,000 00
Sparks, Thomas	do	350	30,000 00
Sophia	do	375	30,000 00
Scott, Thomas A	do	1,052.81	130,000 00
Spaulding, S. R	Side-wheel	1,090	140,000 00
Thomas, Charles	Screw	1,155.65	140,000 00

RIVER STEAMERS.

Adams, John	Side-wheel	407	Unknown.
Balloon	do	204	$12,000 00
Benton, Mary	do	300	54,000 00
Baker, Nellie	do	320	44,000 00
Burnside, General	Propeller	400	45,000 00
Commerce	Side-wheel	154.92	14,000 00
Cecil	do	130	12,000 00
City of Albany	do	482	82,000 00
Collyer, Thomas	do	446	80,000 00
Croton	do	396	30,000 00
Curlew	do	238	Unknown.
Canonicus	do	420	50,000 00
Chasseur	Propeller	131.13	26,500 00
Convoy	Side-wheel	466	80,000 00
Decatur, Stephen	do	296	24,000 00
Farron, John	do	250	Seized.
Foster	do	350	42,500 00
Fannie Garner	Propeller	149.23	12,000 00
Golden Gate	Side-wheel	135	21,000 00
Hunter, Woodis	do	213	30,000 00
Jenkins, Hugh	do	306.36	12,000 00
Island City	do	218	23,000 00
Kate	Tug	35.85	6,000 00
Long Island	Side-wheel	445	Unknown.
Lizzie	Tug	86	22,500 00
Murray, James	do	61	10,000 00
Manhattan	Side-wheel	320	25,000 00
Mystic	do	200	18,000 00
Morse, Ella	do	196	48,000 00
Mayflower	do	274.45	Unknown.
North State	Tow-boat	80	2,000 00
Nantasket	Side-wheel	285	42,000 00
New Monitor	do	293	51,500 00
Oneoto	do	412	26,000 00
Oriole	do	412	15,000 00
Philadelphia	Propeller	172	12,000 00

List of vessels owned by the United States, October 15, 1864—Continued.

RIVER STEAMERS.

Names.	Class.	Tonnage.	Cost.
Patuxent	Side-wheel	265	$16,000 00
Philadelphia	do	341	24,000 00
Peconic	do	400	30,000 00
Perry	do	320	37,500 00
Parke	do	334	45,519 00
Picket	do	295	24,850 00
Planter	do	323.25	Captured.
Relief	Tug	70	10,000 00
Rescue	Side-wheel	227.85	10,000 00
Reindeer	Tug	46	8,500 00
Reno	Side-wheel	250	42,550 00
Stroud, William	Tug	166.24	15,000 00
Sawtelle, Captain C. G	do	36.40	5,000 00
Standish	Propeller	109	8,700 00
Star	Side-wheel	290	Unknown.
Starlight	Tug	70	10,000 00
Sentinel	Propeller	311.59	21,500 00
Suffolk	Side-wheel	486	30,000 00
Tracy, John	do	124.12	18,000 00
Thomas, C. W	do	238	48,000 00
Undine	do	110	16,000 00
Union	do	100	15,400 00
Vidette	do	274.57	17,750 00
Tigress	Tug	49	12,000 00
Winnisimmet	Side-wheel	270	25,000 00
Wilson	Tug	80	Captured.
Wauwennock	Stern-wheel	193	23,000 00
Westmoreland	Side-wheel	301	27,000 00
Zephyr	do	394	36,000 00

SAILING VESSELS.

Adams, H. D	Schooner	116.67	$10,000 00
Arab	do	70	Captured.
Anna Maria	do	25	Captured.
Burnside	do	75	1,000 00
Burroughs	do	20	1,000 00
Dragoon	Brig	329	9,750 00
Electric	Schooner	147	9,500 00
Expeditious	do	230	Unknown.
Froth, R. W	do	151.3	6,000 00
Guerilla	Bark	398.15	10,000 00
Gideon	Schooner	60	Unknown.
Hope	Brig	260	Unknown.
Highlander	Schooner	340.31	10,875 00
Isabella Ellis	do	Unknown.	Unknown.
Matchless	do	170	13,500 00
Mary Ellen	do	Unknown.	Unknown.
Nonpareil	do	74	5,000 00
Pet	do	Unknown.	Unknown.
Protector	do	65	Unknown.
Recruit	do	325.81	12,000 00
Scout	do	335.70	12,000 00
Skirmisher	do	234.38	8,775 00
Seeing	do	160	500 00
Voltiguer	Bark	343.48	15,000 00
Zephaniah	Schooner	70	Unknown.

List of vessels owned by the United States, October 15, 1864—Continued.

BARGES AND CANAL BOATS.

Names.	Class.	Tonnage	Cost.
America	Canal barge	41.17	$1,100 00
Baker, Jennie	do	20	1,000 00
Bissell, W. S	do	133.93	1,200 00
Blackman, T. E	do	60.41	800 00
Constitution	do	30	Unknown.
Caudle, Mrs	do	50	600 00
Cole, T. G	do	120	1,800 00
Comet	do	170	2,500 00
Clinton, Anthony	do	131.32	1,000 00
Dolphin	do	125	Unknown.
Fraley, F	do	110.66	968 00
Goodwin, Andrew	do	Unknown.	Unknown.
Gould, J. R	do	Unknown.	Unknown.
Hail Columbia	do	Unknown.	Unknown.
Jura	do	110	2,000 00
Kate	do	121	2,500 00
Little Oliver	do	120.75	1,426 00
Lanacoming, No. 1	do	Unknown.	Unknown.
Lanacoming, No. 2	do	Unknown.	Unknown.
Middlesex	do	124	3,000 00
Megan	do	125	2,500 00
Oneida	do	135	3,000 00
Reed, Captain Charles L	do	120	1,200 00
Rescue	Lighter barge	250	7,400 00
Relief	do	238	7,200 00
Reliance	do	263	7,200 00
Toodles	Barge	Unknown.	600 00
Tuttle	do	Unknown.	Unknown.
Warner, E. T	do	125.81	1,200 00
Wasp	do	120.1	1,170 00
Wilcox, James	do	135	2,500 00
Warner, Charles	do	120	1,000 00
Wilkins, Milton	do	125.5	1,200 00
Young, Michael	do	115.46	1,200 00
Shrapnell	do	110	Unknown.
Grenade	do	127.73	3,500 00

Recapitulation showing the number and classes of vessels chartered or employed by the Quartermaster's Department, (as far as reported,) during the fiscal year ending June 30,1864.

Class of vessel.	Number.	Amounts paid.
Ships	13	$68,693 17
Barks	8	12,997 43
Barkentines	1	2,940 99
Brigs	13	15,899 14
Schooners	174	266,872 56
Sloops	1	448 50
Propellers	31	309,914 40
Steam-tugs	109	719,036 30
Towboats	6	38,595 00
Steam ferry-boats	7	43,672 70
Steamers	382	10,291,049 61
Steam barges	5	21,901 75
Steam hoisting barge	1	3,270 00
Barges	412	429,948 71
Transports	32	53,640 83
Wrecking schooner	1	16,700 00
Total		12,295,581 00

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NOTE BY THE EDITOR.—The publication of this work was delayed six months for the documents accompanying the report of the Secretary of War. Had these documents been furnished to the public printer "on or before the third Monday in November," in accordance with the law, this abridgment would have been ready for delivery "before the third Wednesday in December," instead of in the following July.

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